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BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS

WAGE AND HOUR DIVISION

November 18, 1939

Prepared by
Research and Statistics Branch
Wage and Hour Division
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(2688)

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EXPLANATORY NOTES

This report covers a period of two weeks ending on November 18, 1939 and is the first of a series of bi-weekly reports to be issued instead of the weekly series heretofore released. These bi-weekly reports will cover periods ending on alternate Saturdays. It is anticipated, soon after the first of the year, to adjust the frequency of reporting in the field offices and the central office so that major operating statistics may be summarized on the 15th and last day of each month. This will result in the issuance of this report on a semi-monthly basis.

In previous reports the analysis of complaints filed, alleging violations of the Fair Labor Standards Act, was the first item reported and following that, the volume of case investigations required, inspections made and finally, cases closed or dropped. With this issue the presentation of the items contained in these reports have been rearranged. The attention of the Division is now focused on completing the investigations required by complaints filed, which have been found to indicate violations of the Act. Accordingly, the data on the completion of the investigations, restitution made, and the status of cases under inspection are reported as Items A, B, and C. Data on the receipt and analysis of complaints are reported in Items G and H.

Item L has been added to the report and covers data on the operations of the Legal Branch, showing the proportion of cases in litigation to the total number of case inspections that have been made. This latter figure is based on the number of original inspection reports forwarded by the field to the central office for review.

During the past two weeks, the field staff of the Wage and Hour Division has brought to conclusion 47 more investigations, making a total of 802 investigations completed (See Item A). Of these, 516 cases, or 64.3 per cent of the total, were closed by settlement and restitution amounting to \$232,262 was paid to 16,532 employees who were affected by violations. The remaining 286 cases, or 37.5 per cent of the total completed, have been dropped. Of the total dropped, 192 cases were dropped because the inspectors found no violations, and 94 cases were dropped because the inspectors found that the firms were not covered by the provisions of the Fair Labor Standards Act.

The proportion of investigations, which substantiate the violations alleged in complaints filed, appears to be gradually increasing. The proportion of cases closed by settlement to the total cases closed is now 64.3 per cent as compared with 62.5 per cent at the end of October. As stated in a previous report, investigations where violations were disclosed require a longer time to complete than those where no violations are found and therefore as more investigations are completed, the proportion substantiating the violations alleged in complaints probably will continue to increase.

Item C indicates that there were 1,027 new cases during the past two weeks which required inspection based on complaints filed against establishments, which, upon analysis, were found to be presumably valid. If this rate of case inspections required continues, we would have over 500 new cases requiring investigation each week. However, it should be kept in mind that the volume of the receipt of complaints in the last few weeks has been exceptionally large as a result of the change in the minimum wage to 30 cents per hour. Through November 18th, a total of 14,882 case investigations were required. Of these, 802, or 5.4 per cent of the total, have been

completed; 2,682, or 18.0 per cent, are in the process of inspection; and 11,398, or almost 77 per cent, are pending assignment.

Through November 18, 1939 a total of 29,523 complaints were filed. With the exception of a period in December and another period early in January, 1938, the weekly volume of the receipt of complaints rarely exceeded 500, and in no instance during the first year of the program did it exceed 1,000. However, during the first few weeks after the increase in the minimum wage to 30 cents per hour, the volume of the receipt of complaints rose considerably. For the week ending November 4, 1939, there were 907 complaints filed, 1,041 for the week ending November 11th, and 1,308 for the week ending November 18th. The volume of complaints received during this last week reported is the greatest number received in any single week since the inception of the Act. There were 24,053 complaints which could be classified "finally" (See Item 6). Of these, 19,307, or 80.3 per cent of the total, appeared to indicate violations; 4,149, or 17.3 per cent, appeared to indicate no violation; and 597, or 2.4 per cent, have been dropped because additional information necessary to complete the classification of the complaint was not available after every effort had been made to secure it. These data indicate that four out of every five complaints finally classified are presumably valid. Since more than one complaint is directed against an establishment in many instances, the 19,307 complaints that are presumably valid are directed against 14,882 establishments, or an average of 1.3 complaints per establishment.

During the two-week period ending November 18th, one criminal action and six civil actions have been instituted by the Legal Branch, making a total of 106 cases on which litigation has been instituted by that Branch.

Of these 106 cases, 55 were prosecuted in criminal courts and 51 in courts of equity where civil action was undertaken.

Of the 55 criminal actions instituted, the defendants have plead guilty in 29 cases, and 26 cases are pending the outcome of trial. In the 29 cases in which the defendants have plead guilty, fines amounting to \$470,360 have been imposed. Almost \$98,000 of these fines have been collected, the remaining \$372,000 having been suspended pending the payment of restitution by the defendants.

Of the 51 cases in which civil actions have been instituted, consent decrees have been granted in 42 of them; injunctions denied in two cases; and decisions are pending in 7 others.

As shown in Item L, there have been 106 legal actions instituted out of the 1,947 cases in which inspection reports have been received. In other words, approximately one investigation in every 20 has resulted in litigation.

Items M to P inclusive show the action taken on applications received for handicapped workers certificates, and Items Q to T inclusive show the action taken on applications for certificates to employ learners.

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS
COOPERATION AND INSPECTION BRANCH
November 18, 1939

Item	Past Two Weeks	Cumulative Total
A. Case Investigations Completed By The Wage and Hour Division Classified By Type Of Action Taken		
1. Total completed	<u>47</u>	<u>802</u>
2. Closed by settlement		
Number	<u>34</u>	<u>516</u>
Per cent of total completed		<u>64.3%</u>
3. Dropped		
Number	<u>13</u>	<u>286</u>
Per cent of total completed		<u>35.7%</u>
a. Because no violation was found		
Number	<u>11</u>	<u>192</u>
Per cent of total completed		<u>24.0%</u>
Per cent of total dropped		<u>67.1%</u>
b. Because firm was not covered		
Number	<u>2</u>	<u>94</u>
Per cent of total completed		<u>11.7%</u>
Per cent of total dropped		<u>32.9%</u>
B. Summary Of Restitution Made And Number of Employees Receiving Restitution		
1. Number of case investigations closed by settlement (Same as A-2)	<u>34</u>	<u>516</u>
2. Employees receiving back payment	<u>559</u>	<u>16,532</u>
3. Amount of restitution	<u>\$8,258</u>	<u>\$232,262</u> ^{a/}
4. Average amount of restitution per case		<u>\$ 450</u>
5. Average amount of restitution per employee		<u>\$ 14</u>

^{a/} Based on best data available. There is no complete record of the restitution made in cases closed during the early period of enforcement.

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
COOPERATION AND INSPECTION BRANCH
November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>C. Status Of Case Investigations Required By Complaints Indicating Violation</u>		
1. Total investigations required ^{1/}	<u>1,027</u>	<u>14,882</u>
2. Case investigations completed (Same as A-1)		
Number	<u>47</u>	<u>802</u>
Per cent of total required		<u>5.4%</u>
3. Cases under inspection		
Number	<u>345</u>	<u>2,682</u>
Per cent of total required		<u>18.0%</u>
4. Cases pending assignment for inspection		
Number	<u>635</u>	<u>11,398</u>
Per cent of total required		<u>76.6%</u>
 <u>D. Status of Cases Assigned For Inspection</u>		
1. Cases assigned for inspection	<u>392</u>	<u>3,484</u>
2. Assigned case inspections forwarded to Washington	<u>88</u>	<u>1,947</u>
3. Assigned case inspections under in- vestigation or completed but pending review by supervisor prior to trans- mittal to Washington	<u>1,537</u>	
4. Per cent of assigned inspections for- warded to Washington		<u>55.9%</u>

^{1/} Investigations based on presumably valid complaints only.

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COOPERATION AND INSPECTION BRANCH
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Item	Past Two Weeks	Cumulative Total
E. <u>Status Of Investigations Requiring Reinspection</u>		
1. Cases requiring reinspection	<u>44</u>	<u>1,306</u>
2. Reinspection reports forwarded to Washington	<u>45</u>	<u>551</u>
3. Required case reinspections under investigation or completed but pending review by supervisor prior to transmittal to Washington	<u>755</u>	
4. Per cent of required reinspections forwarded to Washington		<u>42.2%</u>
F. <u>Examination Of Regular Inspection Reports By Central Office</u>		
1. Total Regular Inspection Reports received <u>1/</u>	<u>134</u>	<u>2,549</u>
2. Total reports examined	<u>73</u>	<u>2,333</u>
3. Balance on hand at close of business	<u>216</u>	
4. Per cent of reports examined to total received		<u>91.5%</u>

1/ Includes 51 additional reports on inspections not classified as reinspections.

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BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 COOPERATION AND INSPECTION BRANCH
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>G. Status Of Complaints Finally Classified And Number Of Establishments Requiring Inspection</u>		
1. Total finally classified	<u>1,852</u>	<u>24,053</u>
2. Violations indicated		
Number	<u>1,505</u>	<u>19,307</u>
Per cent of total finally classified		<u>80.3%</u>
3. No violations indicated		
Number	<u>236</u>	<u>4,149</u>
Per cent of total finally classified		<u>17.3%</u>
4. Dropped because required information is not obtainable		
Number	<u>111</u>	<u>597</u>
Per cent of total finally classified		<u>2.4%</u>
5. Number of establishments requiring in- vestigation (Same as C-1)	<u>1,027</u>	<u>14,882</u>

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 COOPERATION AND INSPECTION BRANCH
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
H. Status Of Complaints Received For Analysis		
1. Total received	<u>2,349</u>	<u>29,523</u>
a. Establishments complained against	<u>1,781</u>	<u>23,053</u>
b. Multiple complaints	<u>568</u>	<u>6,470</u>
c. Complaints per establishment		<u>13</u>
2. Finally classified (Same as G-1)		
Number	<u>1,852</u>	<u>24,053</u>
Per cent of total received		<u>81.5%</u>
3. Pending final classification		
Number	<u>492</u>	<u>5,470</u>
Per cent of total received		<u>18.5%</u>
a. More information required		
Number	<u>100</u>	<u>2,234</u>
Per cent of total received		<u>7.6%</u>
b. Legal interpretation required		
Number	<u>24</u>	<u>871</u>
Per cent of total received		<u>3.0%</u>
c. Pending analysis		
Number	<u>368</u>	<u>2,365</u>
Per cent of total received		<u>7.9%</u>

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS—Continued
 Legal Branch
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
I. <u>Status of Cases Referred to Legal Branch for Enforcement Proceedings</u>		
1. Total	<u>19</u>	<u>410</u>
2. Total acted on:	<u>18</u>	<u>299</u>
a. Cases referred to Department of Justice (J1 minus J5)	<u>6</u>	<u>81</u>
b. Civil actions instituted <u>1</u> /	<u>6</u>	<u>51</u>
c. Cases returned to Cooperation and Inspection Branch	<u>6</u>	<u>167</u>
3. Pending action at end of week	<u>111</u>	
J. <u>Status of Cases Referred to Department of Justice by Legal Branch</u>		
1. Total	<u>6</u>	<u>86</u>
2. Criminal actions instituted	<u>1</u>	<u>55</u>
a. By information	<u>0</u>	<u>12</u>
b. By indictment	<u>1</u>	<u>43</u>
3. Criminal actions closed	<u>3</u>	<u>29</u>
a. Defendant plead guilty	<u>3</u>	<u>29</u>
b. Defendant found guilty (after trial)	<u>0</u>	<u>0</u>
c. Defendant acquitted (after trial)	<u>0</u>	<u>0</u>
d. Fines imposed (approximate)	<u>\$11,400</u>	<u>\$470,360</u>
(a) Collected	<u>\$11,400</u>	<u>\$ 97,750</u>
(b) Suspended	<u>0</u>	<u>\$372,600</u>
4. Criminal actions pending	<u>26</u>	
5. Number of cases returned to Legal Branch by Department of Justice	<u>0</u>	<u>5</u>
6. Number of cases under consideration by Department of Justice	<u>26</u>	

1/ Includes cases returned to Legal Branch by Department of Justice because not suitable for criminal action.

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 Legal Branch
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>K. Status of Civil Actions Instituted by Legal Branch</u>		
1. Total (Same as I 2b)	<u>6</u>	<u>51</u>
2. Cases closed (in district courts)		
a. Injunction granted	<u>4</u>	<u>44</u>
(1) contested	<u>4</u>	<u>42</u>
(2) uncontested (consent decree)	<u>0</u> <u>0</u>	<u>0</u> <u>42</u>
b. Injunction denied	<u>0</u>	<u>2</u>
3. Cases pending (in district courts)	<u>7</u>	
4. Cases pending on appeal from adverse decisions		<u>1</u>
<u>L. Ratio of Legal Action Required to Inspections Made</u>		
1. Inspection Reports submitted to Central office (Same as D2)	<u>88</u>	<u>1947</u>
2. Cases in litigation	<u>7</u>	<u>106</u>
a. Criminal actions instituted	<u>1</u>	<u>55</u>
b. Civil actions instituted	<u>6</u>	<u>51</u>
3. Ratio of cases in litigation to inspections reported		<u>5.5%</u>

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 HEARINGS BRANCH
 HANDICAPPED WORKERS UNIT
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>M. Status of Applications for Handicapped Workers Certificates Received</u>		
1. Received	<u>88</u>	<u>5,870</u> a/
2. Total acted on	<u>238</u>	<u>5,757</u> a/
3. Pending action	<u>113</u>	.
4. Per cent of applications acted on		<u>98.1%</u>
<u>N. Status of Applications Acted on</u>		
1. Total number acted on (Same as L 2)	<u>238</u>	<u>5,757</u>
2. Certificates granted		
a. Number	<u>123</u>	<u>2,466</u>
b. Per cent of total acted on		<u>42.8%</u>
3. Applications denied		
a. Number	<u>-19</u>	<u>2,472</u>
b. Per cent of total acted on		<u>42.9%</u>
4. Applications suspended		
a. Number	<u>131</u>	<u>794</u>
b. Per cent of total acted on		<u>13.8%</u>
5. Applications cancelled or withdrawn		
a. Number	<u>0</u>	<u>13</u>
b. Per cent of total acted on		<u>0.2%</u>
6. No action necessary		
a. Number	<u>3</u>	<u>12</u>
b. Per cent of total acted on		<u>0.2%</u>

 a/ Adjusted by actual inventory

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 Hearings Branch
 Learners' Application Unit
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>Q. Status of Applications for Learners'</u>		
<u>Certificates received</u>		
1. Received	<u>103</u>	<u>1316</u>
2. Total acted on	<u>86</u>	<u>1024</u>
3. Pending action	<u>292</u>	
4. Per cent of applications acted on		<u>77.8%</u>
<u>R. Action Taken on Original Applications</u>		
1. Total acted on (Same as P2)	<u>86</u>	<u>1024</u>
2. Certificates issued		
a. Number	<u>74</u>	<u>788</u>
b. Per cent of total acted on		<u>77.0%</u>
3. Applications denied		
a. Number	<u>12</u>	<u>167</u>
b. Per cent of total acted on		<u>16.3%</u>
4. Applications suspended awaiting industry hearings and finding		
a. Number	<u>0</u>	<u>55</u>
b. Per cent of total acted on		<u>5.3%</u>
5. Applications canceled (invalid or withdrawn)		
a. Number	<u>0</u>	<u>14</u>
b. Per cent of total acted on		<u>1.4%</u>

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 Hearings Branch
 Handicapped Workers Unit
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>O. Requests for Reconsideration</u>		
(Figures used indicate number of employees involved)		
1. Received	<u>9</u>	<u>1,028</u>
2. Number reconsidered	<u>28</u>	<u>1,027</u>
3. Pending reconsideration	<u>1</u>	
4. Per cent of requests for reconsideration acted on		<u>99.9%</u>
<u>P. Decisions After Reconsideration</u>		
1. Total reconsidered (Same as N-2)	<u>28</u>	<u>1,027</u>
a. Denials reversed	<u>20</u>	<u>530</u>
b. Denials sustained	<u>0</u>	<u>344</u>
c. Certificates cancelled	<u>0</u>	<u>8</u>
d. Certificates sustained	<u>0</u>	<u>34</u>
e. Certificate rate increased	<u>2</u>	<u>5</u>
f. Certificate rate decreased	<u>0</u>	<u>35</u>
g. Held for further information	<u>6</u>	<u>71</u>

BI-WEEKLY REPORT OF MAJOR OPERATING STATISTICS--Continued
 Hearings Branch
 Learners' Application Unit
 November 18, 1939

Item	Past Two Weeks	Cumulative Total
<u>S. Status of Cases Held for Reconsideration After Approval or Denial</u>		
1. Held for reconsideration this week	<u>0</u>	<u>90</u>
2. Reconsideration cases acted on	<u>2</u>	<u>81</u>
3. On hand for reconsideration	<u>9</u>	
4. Per cent of cases held for reconsi- deration acted on		<u>90.0%</u>
<u>T. Decision after Reconsideration</u>		
1. Total cases acted on (Same as R-2)	<u>2</u>	<u>81</u>
2. Certificates affirmed	<u>0</u>	<u>26</u>
3. Certificates reversed	<u>0</u>	<u>1</u>
4. Denials affirmed	<u>0</u>	<u>16</u>
5. Denials reversed	<u>2</u>	<u>38</u>