

October 28, 1938

Geo. E. Rose, President

FAIR LABOR STANDARDS ACT

We wish to acknowledge your letter of Oct. 21 together with three copies of letter of Oct. 21 on "Fair Labor Standards Act" that is being sent out to the superintendents of all works of the manufacturing end of the Harvester Company. We also received with this letter three copies of the law together with three explanatory statements issued by the Department of Labor.

We have had several adjustments to make in various occupations here at Benham to meet the requirements of law and in some cases it has been rather difficult to work out these changes without adding to the expense of the various operations affected.

HOTEL: In the case of our hotel operation here at Benham, we are not sure whether or not this is covered by the Act, however we do feel that no doubt the hotel operation should come within the requirements of the company's rulings for an eight hour day and a forty hour week and the minimum of 25¢ per hour. We have talked to the management of some of the hotel operators in our vicinity and they are not doing anything about the matter, stating that their advice is that hotels are exempt from the conditions of the Act.

At our hotel here we have four colored people - two men and two women - who have been working seven days a week and considerably over the forty hours per week. Their salaries run from \$45.00 to \$55.00 a month plus board and lodging, which is figured at \$35.00 per month, making their salaries from \$80.00 to \$90.00 per month, from which \$35.00 per month is deducted when they receive their pay envelopes. This brings these employees well within the 25¢ per hour limit and we have cut their hours per week down to forty spread over a six day period, allowing each employee off one day per week and arranging their services through the day so that each one will have time off between meals, and thus limiting their hours per day to eight. This change has been made without adding any employees or any expense to the operation. It simply means that more work will have to be done in less time by the same number of employees in order to give the same service to the patrons of the hotel. We believe that this can be accomplished on account of the type of the employees. Anyway we have put it into effect and will give it a thorough try-out.

SCHOOL: At our white and colored school buildings we have made a downward hourly adjustment in the time of the janitors without affecting their wages. These janitors are colored people and work on a salary basis. The expense of the operation will be the same, but the work will have to be done in less time than previously as they have been brought down to 40 hours per week and eight hours per day. In one particular case the hourly rate is 25¢ and in another case the hourly rate is 27¢. These occupations, as at the hotel, are very much the same as those of domestic household servants.