Objective: To examine the labor problems of the 1930's.

**Do Now:** What is a union, and what is their purpose?

<u>**Union</u></u> - an organization of workers formed to protect the rights and advance the interests of its members concerning wages, benefits, and working conditions</u>** 

LABOR UNIONS: THE FOLKS WHO BROUGHT YOU THE WEEKEND. CHILD LABOR LAWS, OVERTIME, MINIMUM WAGE, INJURY PROTECTION, WORKMENS COMPENSATION INSURANCE, PENSION SECURITY, RIGHT TO ORGANIZE . .ETC.

## **Labor Reforms**

# Wagner Act (1935):

- Protected workers
  from unfair
  management practices
- Ex.) firing a worker for joining a union



The Wagner Act was the single most important piece of labor legislation enacted in the United States in the 20th century. It was enacted to eliminate employers' interference with the organization of workers into unions.



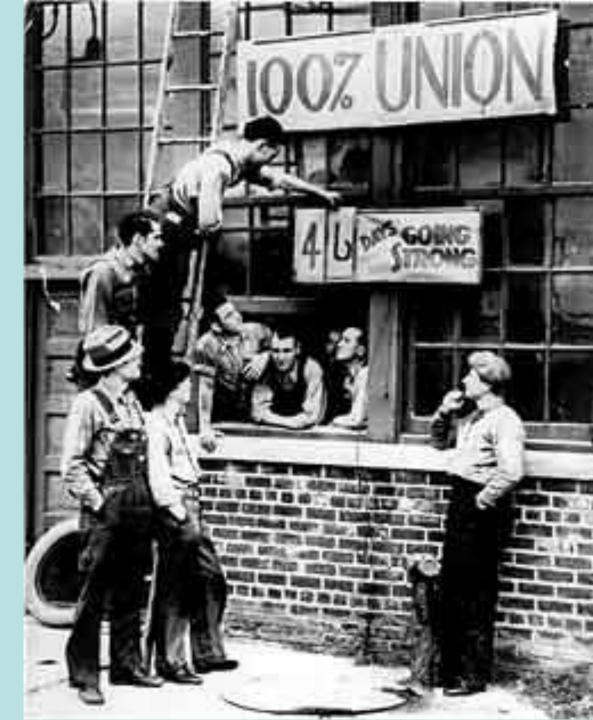
· Guaranteed workers the right to collective bargaining

\* Union membership grew from 3 million to 9 million during the 1930's.

\* Unions increased their bargaining and political power.

Sitdown strikes were used successfully by workers when businesses refused to recognize their unions.

The 44-day Flint Sitdown Strike ended on Feb. 11, 1937. It established the UAW as the sole bargaining representative for workers at the world's largest corporation.





## Fair Labor Standards Act (1938):

- Set a minimum wage at 40 cents an hour

- Set the maximum workweek to 44 hours and the minimum working age to 16 in certain industries.



#### EMPLOYEE RIGHTS UNDER THE FAIR LABOR STANDARDS ACT

THE UNITED STATES DEPARTMENT OF LABOR WAGE AND HOUR DWISION

FEDERAL MINIMUM WAGE				
\$5.8	5-rea	\$6.55	\$7	.25
BEGINNING JULY 2	4, 2007	BEGINNING JULY 24, 200	8 BEGINNING	JULY 24, 2009
OVERTIME PAY	At least 1 <sup>5</sup> ±1	imes your regular rate of pay fo	or all hours worked ove	er 40 in a workweek.
YOUTH EMPLOYMENT	An employee must be at least 16 years old to work in most non-farm jobs and at least 18 to work in non-farm jobs declared hazardous by the Secretary of Labor.			
	Youths 14 and 15 years old may work outside school hours in various non-manufactur- ing, non-mining, non-hazardous jobs under the following conditions:			
	No more than • 3 hours on a school day or 18 hours in a school week; • 8 hours on a non-school day or 40 hours in a non-school week.			
	Also, work may not begin before 7 a.m. or end after 7 p.m., except from June 1 through Labor Day, when evening hours are extended to 9 p.m. Different nies apply in agricultural employment. For more information, visit the YouthRules! Web site at www.youthrules.dot.gov.			
TIP CREDIT	Employees of "tipped employees" must pay a cash wage of at least \$2.13 per hour if they claim a tip credit against their minimum wage obligation. If an employee's tips combined with the employer's cash wage of at least \$2,13 per hour do not equal the minimum hourly wage, the employer must make up the difference. Certain other condi- tions must also be met.			
ENFORCEMENT	The Department of Labor may recover back wages either administratively or through court action, for the employees that have been underpaid in violation of the law. Violations may result in civil or criminal action.			
	Civil money penalties of up to \$11,000 per violation may be assessed against employer who violate the youth employment provisions of the law and up to \$1,100 per violation against employers who willfully or repeatedly violate the minimum wage or overtime pay provisions. This law prohibits discontininating against or discharging workers who file a complaint or participate in any proceedings under the Act.			
ADDITIONAL INFORMATION	overtime p • Special pro- Northern & • Spone state • The law re- • Employees secutive c • Certain full may be pa	cupations and establishments / avgprovisions, ovisions apply to workers in An Aariana Islands, laws provide greater employee gaines employers to display thi under 20 years of age may be stendar days of employment wi -time students, student, learner to less than the minimum wage ki of Labor;	erican Samoa and the protections; employers s poster where employ paid \$4.25 per hour d th an employer. , appendices, and we	Commonwealth of the must comply with both ves can readily see it, uring their first 90 con- priors with disabilities
<b>()</b>	1-8	For additional informa		<b>SWHD</b>
	(1-866-4	87-9243) TTY: 1-6	D DOI	COV

# FEDERAL MINIMUM HOURLY WAGE RATES UNDER THE FAIR LABOR STANDARDS ACT:

OCT. 24, 1938 \$0.25 OCT. 24, 1939 \$0.30 OCT. 24, 1945 \$0.40 JAN. 25, 1950 \$0.75 MAR. 1, 1956 \$1.00 SEPT. 3, 1961 \$1.15 SEPT. 3, 1963 \$1.25 SEPT. 3, 1964 \$1.15 SEPT. 3, 1965 \$1.25 FEB. 1, 1967 \$1.40 FEB. 1, 1968 \$1.60 FEB. 1, 1969 \$1.30 FEB. 1, 1970 \$1.45

FEB. 1, 1971 \$1.60 MAY 1, 1974 \$2.00 JAN. 1, 1975 \$2.10 JAN. 1, 1976 \$2.30 JAN. 1, 1977 \$2.30 JAN. 1, 1978 \$2.65 JAN. 1, 1979 \$2.90 JAN. 1, 1980 \$3.10 JAN. 1, 1981 \$3.35 APR. 1, 1990 \$3.80 APR. 1, 1991 \$4.25 OCT. 1, 1996 \$4.75 SEPT.1, 1997 \$5.15

Business leader's opposition to FDR and his New Deal intensified in 1934 and 1935.



## The New Deal: Good or Bad?

# **New Deal Critics:**

• People worried about the increased power of the government.

• The New Deal used deficit spending, causing a large increase in the national debt.

• Business leaders thought that unions had become too powerful.

## **New Deal Supporters:**

- New Deal programs were necessary for the public good.
- They believed that industries needed to be regulated by the government in order to prevent another depression.