

UNIV
SHELF

01 /

HOURS OF WORK

by WILLIAM GOLDNER

RECEIVED

SEP 10 1952

INSTITUTE OF
INDUSTRIAL RELATIONS

INSTITUTE OF INDUSTRIAL RELATIONS
UNIVERSITY OF CALIFORNIA, (BERKELEY)

25c

HOURS OF WORK

HOURS OF WORK

By

WILLIAM GOLDNER .

Edited by Irving Bernstein



INSTITUTE OF INDUSTRIAL RELATIONS *(Spradley)*
UNIVERSITY OF CALIFORNIA • BERKELEY *1952*

COPYRIGHT, 1952 BY
THE REGENTS OF THE UNIVERSITY OF CALIFORNIA

POPULAR PAMPHLETS OF THE INSTITUTE OF INDUSTRIAL RELATIONS

Northern Division:

Pensions Under Collective Bargaining, by William Goldner
Strikes, by William Goldner
Hours of Work, by William Goldner

Southern Division:

Collective Bargaining, by Edgar L. Warren and Irving Bernstein
Making Grievance Procedures Work, by Abbott Kaplan
Employing the Seriously Impaired, by Robert D. Melcher
Wages: An Introduction, by H. M. Douty

Copies of these pamphlets may be purchased at the following rates:

1 to 9 copies—25c per copy
10 to 99 copies—20c per copy
100 or more copies—15c per copy

Order from the

INSTITUTE OF INDUSTRIAL RELATIONS

Northern Division:

201 California Hall
University of California
Berkeley 4, California

Southern Division:

Business Administration-Economics Building
University of California
Los Angeles 24, California

Foreword

THE INSTITUTE OF INDUSTRIAL RELATIONS of the University of California was created by the California Legislature for the purpose, among others, of conducting research and contributing to public information and understanding in the field of industrial relations. Governor Earl Warren in his "Annual Message to the Legislature" of January 3, 1949, declared that the Institute

can be made a . . . practical means of bringing about better understanding in the field of industrial relations in California. . . . We should now make increasingly practical use of the information that has been developed by the Institute. . .

One means of achieving this objective is through popular pamphlets which can be made available to labor organizations, management, government officials, the schools and universities, and the general public. Those pamphlets already published (a list appears on the preceding page have achieved a wide distribution among these groups.

The length of the workday has been one of the major concerns of American workers for more than a century. The gradual reduction of hours of work from the old rule of "from sun-up to sun-down" to the present 8-hour

day and 40-hour week has been an important factor in the development of our high standard of living. The question of hours has many ramifications and is still an issue which cannot be separated from other elements of our economic society—wages, employment, production, health. In the following pages, Mr. Goldner discusses the effect of shorter hours on our industrial economy and suggests possible implications for the future.

The Institute expresses appreciation to the following for their reviews and constructive criticisms of the manuscript: At the University of California, Dr. George A. Pettit, Assistant to the President, Professors Van Dusen Kennedy and Peter O. Steiner, and Dr. Margaret Gordon; from the industrial relations community-at-large, Max D. Kossoris, Regional Director of the U. S. Bureau of Labor Statistics, Robert R. Grunsky, Managing Director of the California Metal Trades Association, and Barney Mayes, Technical Advisor, Western Federation of Butchers, AFL. The cover design is the work of J. Chris Smith, and the illustrations are by Bernard Seaman. Mrs. Anne P. Cook assisted with the editing.

The viewpoint expressed is that of the author and may not necessarily be that of the Institute.

E. T. GREETHER, *Director*
Northern Division

EDGAR L. WARREN, *Director*
Southern Division

Contents

	PAGE
I. HOURS OF WORK: THE PROBLEM	1
II. THE MOVEMENT FOR SHORTER HOURS	4
1. Measuring Hours of Work	4
2. Long-Term Trend of Hours	5
3. Hours of Work in Manufacturing	5
4. Early Attempts to Obtain Shorter Hours	7
5. The Ten-Hour Day	8
6. The Eight-Hour Day	9
7. The Forty-Hour Week	10
8. Union Arguments for Shorter Hours	12
9. Factors Responsible for Shortened Working Time	16
III. OUTPUT, EFFICIENCY, AND HOURS OF WORK	19
1. How Shorter Hours Affect Output	19
2. Work Schedules and Output	21
3. Absenteeism	22
4. Work Injuries	23
5. How Short Can the Workday Be?	23

	PAGE
IV. GOVERNMENT REGULATIONS ON HOURS OF WORK	25
1. The Eight-Hour Law	25
2. Section 7(a) of the National Industrial Recovery Act	26
3. The Public Contracts Act of 1936	27
4. The Fair Labor Standards Act of 1938 . .	27
5. Federal Legislation Affecting Special Groups	28
6. State Laws on Hours of Work	30
V. HOURS OF WORK: COLLECTIVE BARGAINING PROVISIONS	31
1. Length of Regular Workday and Workweek	32
2. Exceptions to Regular Schedules	33
3. Scheduling of Working Hours	33
4. Rest Periods	34
5. Meal Periods and Allowances	34
6. Travel Time	35
7. Preparatory Activities Related to the Job .	36
8. Time Allowance for Washing Up, Chang- ing Clothes, and Making Reports	36
9. Tardiness	37

VI. OVERTIME PAY: COLLECTIVE BARGAINING	
PROVISIONS	38
1. When Overtime is Payable	38
2. Computation of Hours Used as a Basis for Overtime	39
3. Regular Rate upon Which Overtime Pay is Computed	39
4. Seasonal Exemptions	40
5. Time off in Lieu of Overtime Payments . .	40
6. Allocation of Overtime Work	41
7. Restriction of Overtime Work	41
VII. SHIFT OPERATIONS: COLLECTIVE BARGAINING	
PROVISIONS	42
1. Limitations on Multiple Shifts	43
2. Shift Differentials	43
3. Shift Schedules and Assignments	43
4. Split Shifts	44
VIII. CONCLUDING REMARKS	46
IX. SUGGESTIONS FOR FURTHER READING	50

I. Hours of Work:

The Problem

ONE HUNDRED YEARS AGO, hours of work in the United States were almost double what they are today. The intervening century has been marked by the development of the most productive economy in the world, the growth of population to high levels, and a continuous rise in the standard of living.

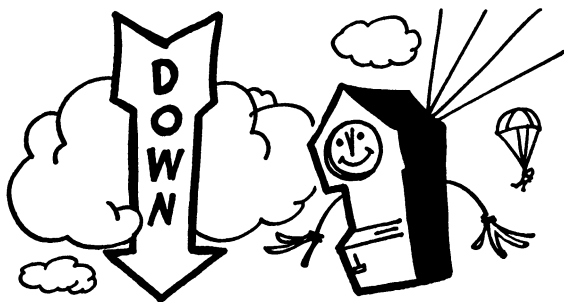
How has this come about? How has the progressive reduction in labor time been possible while production was rapidly rising? The answer, of course, lies in the increasing use over the last century of our natural resources, improved machinery, and brainpower to supplement the sheer effort of labor power. Today, our vast productive capacity depends on the delicate balance of our workers' skills, modern machines and plants, newly-developed methods and processes, an abundance of raw materials, and the intelligence and initiative to mix these factors in the right proportions.

Can this progress continue? Will hours of work decrease in future years? Maintaining the delicate balance between high levels of employment with short working hours on the one hand, and technological progress and

2 • HOURS OF WORK

increasing productivity on the other, is one of the most important economic problems of our time.

Offhand, the problems associated with hours of work appear fairly simple. Working hours in the distant past were long and tedious; they have gradually become shorter in recent times and there are indications that they may yet decrease in the future. But this is really an



oversimplification; the hours problems have several other ramifications which need to be explored.

For one thing, the question of hours is closely interwoven with several fundamental economic issues. The problem of "hours" cannot reasonably be separated from discussions of wages, of purchasing power, of displacement of workers by machinery, of speed and efficiency, of health, fatigue and accidents, and of restriction of output. In each of these, hours worked is a significant element.

In addition to the interrelationships that exist between hours and these other subjects, the term "hours of work"

is subject to not one but several standards. There is an accepted standard for hours per week, another standard for hours per day, and different criteria for overtime work and multiple shift operations. The standards which apply to hours of active work may differ from that applying to time spent on standby duty.

(1) The first element in the problem of hours is the total number of hours worked per week—the basic standard to be established. It is apparent from the way almost all of our American industrial system is organized, that the internal structure of the factory and office requires uniform working time. Then, because employers frequently compete for workers, and workers in turn have the opportunity to move from one job to another, there is a tendency for uniformity in working time to become the norm over most of our economy. The hours of work at any time tend to become standardized over broad sectors.

(2) The manner in which these hours are distributed over the week, which involves both the length of the working day and the number of days worked per week, constitutes the second phase of the general problem. The shortening of the seven-day week to six days took place within the life span of many of our present working population. During the depression of the thirties, decreasing the number of working days was common as a work-sharing device and this has led to general acceptance since then of five and one half or five-day workweeks.

(3) A third element in the discussion of hours is the

4 • HOURS OF WORK

matter of overtime work. Employers have important economic reasons for wanting their plants and equipment to be kept running as long as possible each day. Overhead cost, depreciation, and obsolescence continue no matter how the production level varies; raw materials may deteriorate or spoil; seasonal influences may bring a flood of orders; all of these are tangible economic pressures to increase overtime work in the operation of a business.

(4) Finally, there is night work and the problems of multiple shift operations. These questions are most important in, but not confined to, the industries that have continuous processes or services such as the operation of blast furnaces, glass manufacture, the railways, public utilities, and others.

II. The Movement for Shorter Hours

1. MEASURING HOURS OF WORK

IN EXAMINING STATISTICS of hours of work, the reader should keep in mind the very important distinction between the scheduled or customary workweek and actual working time. The scheduled workweek is the length of time that an employee is expected to work under normal operating conditions. The actual working time is usually less than the scheduled workweek because of temporary plant shutdowns, part-time operation, and lost days of work due to vacations, holidays, illness, and other reasons. For instance, a two-week vacation with a 40-hour week would mean a loss of 80 work-hours during the year—equivalent to more than 1.5 hours per week, or nearly 4 percent of the scheduled workweek.

A second point of caution in looking at overall averages of hours of work is the effect of the "industry mix." The relative importance of individual industries and industrial groups is constantly changing in our economy. Frequently, the industries affected have different work schedules and hours of work. It is quite possible for the

6 • HOURS OF WORK

national average hours of work to decrease with all industry work schedules remaining unchanged. As an example, agricultural workweeks are usually longer than industrial schedules. Thus, over the last forty years, as agriculture declined in relative importance in the economy, the national average could have decreased from this shift alone. Decreases in hours due to "industry mix" mean, however, that more employees are working shorter hours, and that is an important inference, too.

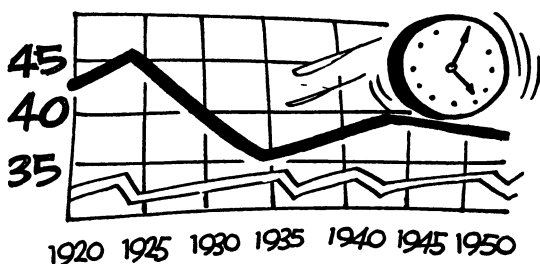
Table 1—ESTIMATED AVERAGE WEEKLY WORKING
HOURS, 1850–1960

Year	Average scheduled hours	Average actual hours		
		Total economy	Non- agricultural	Agri- culture
1850	70.9	70.6	68.0	72.0
1860	69.5	68.7	64.0	72.0
1870	67.2	66.3	61.0	71.0
1880	66.3	65.4	60.0	71.0
1890	63.7	63.2	58.0	70.0
1900	61.7	60.9	56.0	69.0
1910	58.6	57.5	53.0	68.0
1920	53.7	51.9	48.0	63.0
1930	51.3	47.2	44.0	59.0
1940	45.4	43.0	41.7	52.3
1950	42.5	40.8	39.0	50.0
1960	39.7	37.7	35.6	48.0

Source: J. Frederic Dewhurst and Associates, *America's Needs and Resources* (New York: Twentieth Century Fund, 1947), p. 695.

2. LONG-TERM TREND OF HOURS

Long-term estimates of the trend of average hours of work have recently been made in the course of The Twentieth Century Fund's study of *America's Needs and Resources*. These estimates are presented in Table 1 and show the progressive decline in actual working time



over the period of a century. The distinction between scheduled and actual hours which was mentioned above is also shown along with the comparison between the agricultural and non-agricultural sectors of the economy.

3. HOURS OF WORK IN MANUFACTURING

Annual statistics of hours of work are available for manufacturing industries, for the period 1923 to date. (See Table 2). These data shed light on the short-term fluctuations in hours of work which have occurred in recent decades in an important sector of the economy.

8 • HOURS OF WORK

Because there is considerable evidence that short-term fluctuations in hours in other sectors of the economy have resembled those in manufacturing, the data probably give some indication of the year-to-year changes in these other sectors as well.

Table 2—AVERAGE HOURS OF PRODUCTION WORKERS IN
MANUFACTURING, 1923–1950

<i>Year</i>	<i>Average weekly hours</i>	<i>Year</i>	<i>Average weekly hours</i>	<i>Year</i>	<i>Average weekly hours</i>
—	—	1931	40.5	1941	40.6
—	—	1932	38.3	1942	42.9
1923	45.6	1933	38.1	1943	44.9
1924	43.7	1934	34.6	1944	45.2
1925	44.5	1935	36.6	1945	43.4
1926	45.0	1936	39.2	1946	40.4
1927	45.0	1937	38.6	1947	40.3
1928	44.4	1938	35.6	1948	40.1
1929	44.2	1939	37.7	1949	39.2
1930	42.1	1940	38.1	1950	40.5

Source: U. S. Bureau of Labor Statistics.

During the twenties, hours remained stable at around 45 per week. The depression drove the average down to a low of 34.6 hours in 1934. As the economy recovered from the depression, average hours of work increased, but the downswing of 1937–38 drove them back to a level not far above the low point of the depression. After 1938, there was a steady increase in average hours of

work to a peak of around 45 hours a week in 1944, when World War II was approaching its climax. With the termination of hostilities, the average workweek reverted to approximately a 40 hour level.

4. EARLY ATTEMPTS TO OBTAIN SHORTER HOURS

Behind the impersonal statistics of the previous sections are the dramatic events that have marked the movement for the shorter workday and shorter week. In the light of our present day standards, working schedules of a century and a half ago are almost unbelievable and union demands of long ago seem fantastically conservative.

The first recorded resolution on the length of the workday was that of the Philadelphia carpenters. In 1791, they pressed for a workday extending from six o'clock in the morning until six o'clock in the evening in place of a day lasting from "sun-up to sun-down." Public opinion did not support them because, in those days, idleness was regarded as a vice and shortening the workday seemed to be an argument for more vice.



Years later, in 1822, the Philadelphia mill-wrights and machinists tried to have the same schedule approved and to have time allowed for meals. They passed resolutions that "ten hours of labor were enough for one day, and that work ought to begin at 6 a.m. and end at 6 p.m., with an hour for breakfast and one for dinner."

In 1825, the Boston carpenters struck for the ten-hour day. Their employers stated, "We consider idleness the most deadly bane to usefulness and honorable living . . . and we dread the consequences of such a measure on the morals and well-being of society. We cannot believe . . . (the ten-hour movement) . . . to have originated with the faithful and industrious sons of New England," but it must be, rather, "an evil of foreign growth."

Despite the scarcity of laborers and the independent attitude which that scarcity fostered, the prevailing hours in many occupations and cities of the United States remained at twelve or thirteen per day as late as 1830.

5. THE TEN-HOUR DAY

Records indicate that the shorter hours movement has been led usually by the building trades unions, and that the building industry has almost always been characterized by a workweek shorter than that prevailing in other industry divisions. Building trades unions were the first to secure the ten-hour day and had done so in the large eastern cities by 1835. Perhaps the reason why

these unions led in this movement was the clear view that the construction worker has of the job's end, and of a possible period of unemployment before another can be found. Industrial workers produce within the framework of continuous processes in contrast to the building trades worker who must obtain new employment after each construction job is finished.

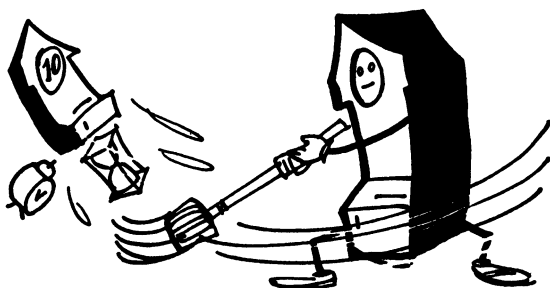
Most of industrial labor lagged behind the building trades. The average hours of work per day remained as high as 11.4 in 1840 and did not begin a marked decrease until the middle of the 1850's. However, the ten-hour day was well established by 1890 in the majority of occupations and industries. The major exceptions were the cotton factories, the sawmills, the iron and steel plants, and the railroads. The last-named, though they had the ten-hour day, still had a seven-day week for a total of 70 weekly hours.

6. THE EIGHT-HOUR DAY

The pressure for shorter hours shifted from the ten-hour day to the eight-hour day by the turn of the century, and a few well-organized groups had achieved the 44 hour week by 1914. In 1914 and 1915, in concurrence with an impressive expansion of union membership, the eight-hour movement literally swept the country and was given official backing by President Wilson. World War I established a heavy demand for

12 • HOURS OF WORK

labor even prior to our entrance into the fighting. On the basis of this demand, unions were able to bargain successfully for the eight-hour day and other union goals in large segments of the economy. The reductions in hours of work achieved during the period 1914–1920 constitutes one of the most important labor gains in industrial relations history.



During the 1920's, the length of the workday did not continue to decrease as it had in the few years during and after World War I. In fact, there are indications that some industries reverted to longer work schedules. It was not until 1923 that the last vestige of nineteenth century hour standards was eradicated. In that year the steel industry abandoned the 12-hour day and the seven-day week or "thirteen out of fourteen days" system. Almost 40 years after the peak of the ten-hour movement, this great industry finally acceded to shorter hours as an unavoidable concession to public opinion.

In other industries, progress toward shorter hours was

made rather slowly during the twenties. Although small reductions in hours were effected, the major achievement of the decade was the gaining of the Saturday half-holiday. The spread of the five and one-half day week during the twenties was fairly general, but, as had been true in the past, the building trades were somewhat ahead of other labor groups and were beginning to obtain basic five-day weeks. By 1930, well over half of the building trades workers had achieved this goal.

During the depression, the reduction in the length of the average working week did not, on the whole, represent progress toward shorter hours. The distinction between the scheduled workweek and the actual workweek has already been mentioned. In the early 1930's, average hours worked decreased considerably but it is doubtful if this decrease in any way reflected a change in the concept of what hours per week should be. Rather, it reflected the layoffs and part-time work that were characteristic of the period. The U. S. Bureau of Labor Statistics reports that in 1934 the average scheduled workweek was 42 hours when actual hours averaged 34.6.

7. THE FORTY-HOUR WEEK

The National Industrial Recovery Act, enacted in 1933, led to the inclusion of a 40-hour provision in a large number of industry codes, but by no means in all. However, the actual establishment of weekly maxima

14 • HOURS OF WORK

had the effect of preventing a return to workweeks exceeding 40 hours during the recovery period. After the invalidation of NRA, the void in the regulation of hours was filled by the Public Contracts Act of 1936 and the Fair Labor Standards Act of 1938. Both of these laws require the payment of time and a half for work over 40 hours per week, thus placing a financial penalty on longer work schedules.

During World War II, the critical labor shortage in many parts of the country and the need for all-out production resulted in the informal adoption of longer workweeks. Regulation No. 3 of the War Manpower Commission provided for a minimum wartime workweek of 48 hours, and there was a move to introduce the ten-hour day and five-day week in some war plants. However, the government's announced policy recommended the eight-hour day and 48-hour week as the best work schedule for sustained efficiency in most industrial operations.

At the end of the war, the length of the workweek was indirectly an issue in industrial relations. During the post-war reconversion, the unions pressed for a wage policy that would pay the same "take-home" total under the shortened workweek as had been earned under the longer wartime workweek. While the shortening of hours was not actually at issue, the payment of wages to offset the decreased hours was. The issue was ultimately compromised. The unions received wage increases which offset only a substantial portion of the wage loss from the

shortened workweek. Furthermore, price increases made the gain in real wages smaller than the gain in wage rates.

Since the end of the war, the question of hours has not been a major labor issue. Acceptance of the 40-hour week is general and the five-day work schedule is very widely in use.

In 1950 and 1951, the impact of the program of production for defense and the requirements of the armed services for additional manpower have had the effect of increasing slightly the number of working hours per week. Most of the increased hours are in industries critically important to military production, such as aircraft, machine tools, and nonferrous metals.

8. UNION ARGUMENTS FOR SHORTER HOURS

Workers and unions have used many routes to achieve their goal of shorter work time. In the final analysis, however, these arguments boil down to the following five:

(1) Shorter hours are essential to good citizenship. Increased leisure allows the workingman to educate himself, participate in local politics, and decide more intelligently between alternative public policies. This, obviously, was a more frequent argument in the early days of the movement for shorter hours. In the middle 1800's

the expansion of educational opportunities and the rise of workingmen's political movements offered many opportunities for worker participation. However, the length of the working day and the workweek limited the time that could be spent in such activities.

(2) Shorter hours are necessary to protect the health of the worker. Long working hours lead to conditions harmful to the health of individuals. Most states now have health and safety codes which protect the worker in those industries where his health may be endangered by long hours.

(3) Increased leisure stimulates the demand for the products of industry. This argument is double-edged in that it calls for at least the same and possibly greater wage income despite curtailment in hours. It implies that income should be sufficient not only for the minimum necessities of life, but also for goods and services to be enjoyed in leisure time. The remarkable expansion of the automobile, television, radio, motion picture, and service industries in the United States is partially a reflection of this tendency.

(4) Shorter hours increase the efficiency of labor. Labor argues that shorter hours result in increased production while on the job. Evidence available on this point is discussed in Chapter III.

(5) Shorter hours create more jobs and expand employment. Unions are particularly fearful of unemployment and almost universally strive to increase employ-

ment by shortening hours. But in most cases, union arguments for shorter hours are accompanied by demands for wage increases offsetting the loss in take-home pay. A union jingle of the nineteenth century was

Whether you work by the piece
Or work by the day
Decreasing the hours
Increases the pay.

The fear of unemployment runs through much of the trade unions' justification for shorter hours. In the last half of the nineteenth century, the make-work idea was expressed in its very crudest form. The concept prevailed that there was just a given "lump of work." Shorter hours of work meant that more men had to be found to do the job. Increased demand for workers, labor contended, drove wages up.

After World War I, the economic arguments made by unions became more refined, but the basic ingredients were the same. Unions argued that shortened hours coupled with higher wages and employment increased total spending; increased purchases led to more production, and this, in turn, created even more employment.

Actually, the "lump of work" argument and its more complicated variation described above fail to consider two important factors. First, changes in hours of work are frequently accompanied by changes in productivity. If per unit costs of production decrease with shortened

hours and increased productivity, there is a possibility that lower prices will expand demand. The "lump of work" grows larger under these commonly occurring circumstances.

Secondly, there are usually other economic factors at work which tangibly increase the "lump of work." A steady expansion of the population, an increase in the national wealth, the appearance from time to time of radically new products such as the steam engine, electricity, the automobile, and atomic energy,—all of these contribute to the requirements for new factories, new machinery, and more labor. With modern credit facilities, consumers, including the wage earners themselves, contribute to this high level of economic activity by their purchases of houses and durable goods. The "lump of work" becomes a stream of work augmenting itself in response to the economy's requirements.

The trade unions' fear of unemployment is understandable. Not only does unemployment affect the earnings and employment of the union members, it threatens the very existence of the union; for when jobs disappear, union membership declines. It is also understandable



that unions fight unemployment by demanding shorter hours and greater purchasing power for workers. A defensive economic strategy does not serve to hold the union together; it must continuously achieve gains for its membership in order to exist. Therefore, whatever the merits of the arguments may be, unions use some variation of the shorter hours, higher wages reasoning as soon as the threat of unemployment becomes serious. In the slight economic downturn of 1949, union leaders began again to press for the thirty-hour week with compensating wage increases. Only the higher levels of economic activity in late 1949 and early 1950 halted the movement for a shorter workweek.

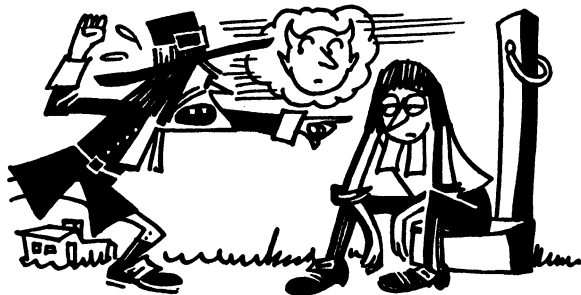
9. FACTORS RESPONSIBLE FOR SHORTENED WORKING TIME

While unions have been in the vanguard of the movement for shorter hours, they are not solely responsible for the present length of the workday and workweek. Early unions were instrumental in obtaining shorter hours in specific industries, like the construction industry. They have also been politically instrumental in supporting health and safety legislation leading to shorter hours. However, other forces have had an important influence.

One factor that should not be underestimated is public opinion. What we now cherish as leisure was once con-

20 • HOURS OF WORK

demned as idleness. Shorter hours were once argued against as contributing to temptation and improvidence.



The following notice specifying the workday and workweek for employees of an 1870 furniture store exemplifies public opinion of that era.

Store will be open at 7:00 A.M., and close at 8:00 P.M., except on Saturday when it closes at 9:00 P.M. This is in effect the year around. This store will remain closed each Sabbath.

Any employee who smokes Spanish cigars, uses liquor in any form, gets shaved at the barber shop, or frequents pool halls or public dance halls, will give his employer every reason to suspect his integrity, worthy intentions, and all around honesty.

Men employees will be given one evening off each week for courting purposes or two evenings each week if they go regularly to church and attend church duties. After any employee has spent his thirteen hours of labor in this store, he should then spend his leisure time in reading good books. . .

Only as our economy grew and workers became relatively more numerous did public opinion tend to reflect their point of view. Then long hours were condemned and reasonable workweeks were accepted. The steel industry bowed to public opinion when, in 1923, it abolished the seven-day week in the steel furnaces.

Another important influence which indirectly reflects public opinion has been the gradual development, often bitterly contested, of state and federal legislation establishing maximum hours. Laws protecting workers, and particularly women and children, against the health and safety hazards resulting from long hours of work have been passed in many of the industrially important states. These laws date often from the 1880's and 1890's. A long and bitter legal battle was waged over the constitutionality of these statutes, in which the Supreme Court apparently reversed itself several times.

As the unions became more aware of their political power, they shifted their interest from state laws to federal legislation. In 1916, the railroad workers, aided by European demand for war goods, obtained standardized working hours throughout the industry by means of the Adamson Act. In the 1930's the NIRA, the Walsh-Healey Act, and the Fair Labor Standards Act continued the trend in hours legislation with the political support of organized labor and other groups.

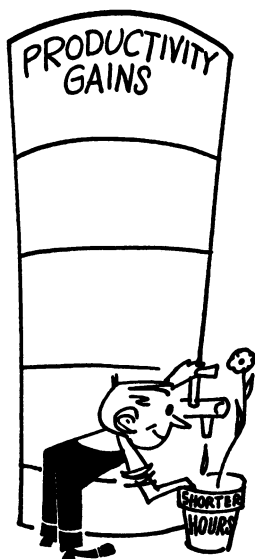
The force of competition frequently leads to the lowering of hours of work. The long-term growth of the econ-

omy and the continuing demand for more factory labor made it necessary for employers to attract workers by improving working conditions. In some cases, firms desiring better workers and less available skills led in shortening hours. Other firms, in order to keep their labor forces intact, were obliged to meet the standards that were established. Thus, competition by industries in the labor market has resulted in some decrease in working hours.

As a foundation for all these forces attention must be given to the growing productivity of our economy resulting from increased skill and education, improved machines and factories, newly-discovered processes, and abundant resources. Employers had a reservoir of pro-

ductivity gains out of which shortened hours could be granted without dangerous sacrifice.

In summary, shorter hours have been won by a combination of factors. The bargaining power of unions, the influence of public opinion, the gradual development of legislative protection and support, and the working of competition, have all had an important effect. Each of these was effective because technical progress was constantly creating the means.



III. Output, Efficiency, and Hours of Work

CHANGES IN HOURS of work have a direct effect on the volume of production. There are, therefore, two important factors to be balanced in arriving at the best choice among workweek standards. In some periods we might settle for low output and short hours because we value leisure rather highly. In other periods we might be willing to work long hours to increase output because production of goods is more important than leisure. In war-time, for example, we are willing to forego the benefits of free time in order to gain more output. But even in such times of sacrifice, there are limits to the amount of time we may add to the workweek. We have learned that extremely long work schedules sometimes result in net decreases in output, compared with a shorter schedule of hours.

Efficiency is the factor that links output with hours of work and therefore has a bearing on leisure. Studies frequently show that as the hours of work decrease, output per worker declines, but that, in many cases, the decrease in output is not as much as we expected. In other words, the amount of output per hour worked may increase

with a shorter workday or workweek and this increase in output per hour compensates in part for the shorter period in which production takes place. Sometimes, the gain in efficiency may completely offset the loss in output from shorter hours.

1. HOW SHORTER HOURS AFFECT OUTPUT

The reduction in hours, daily or weekly, and the provision of rest periods, holidays, and vacations have an effect on individual efficiency and, hence, on output. When shorter hours or rearranged work schedules are instituted, there are four ways in which production may be affected.

(1) There may be a *reduction of fatigue* and therefore an immediate and long-range improvement in the worker's physical and mental efficiency. (2) The provision of *longer recuperative periods* may more nearly restore peak efficiency upon resumption of work. (3) There may be a *concentration of productive efforts* in the most efficient working period, and elimination of periods of declining efficiency at the end of the workday and week. (4) There may be a *reduction of absenteeism* for illness, accidents, and for personal reasons with a shorter workday or workweek.

There are very few objective studies of these factors. Most of the knowledge is informal and based on the practical experience of personnel and production execu-

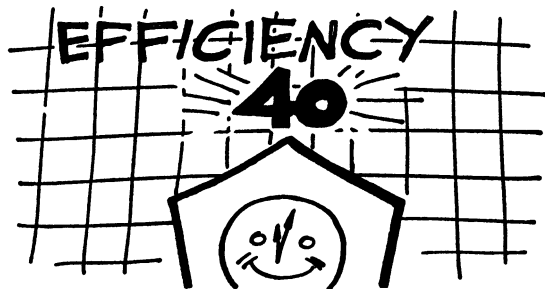
tives. However, ground has been broken by a series of plant studies published in 1947 by the U. S. Bureau of Labor Statistics. These studies provide the material on which the following conclusions are based.

There seems to be no general all-inclusive answer to the question of the best length of workweek. Factors other than hours worked appear to account for most of the differences in the workers' performance. Among these factors are: the incentive to produce, the physical demands which the job makes on the workers, the degree to which the worker controls the work pace, immediate environmental working conditions, the particular shift worked and how shifts are rotated, and the state of labor-management relations in the establishment.

2. WORK SCHEDULES AND OUTPUT

The U. S. Bureau of Labor Statistics studies show that worker output reflects differences in the way the hours are scheduled as well as the number of hours worked. For example, the same 40 weekly hours could be scheduled as four 10-hour days, five 8-hour days, or six 6- $\frac{2}{3}$ -hour days, and these differing schedules would result in output differences. Different types of schedules for longer workweeks have a marked effect on output. Determination of the best schedule becomes particularly important during periods of military preparedness and production for defense.

Generally, the studies show that "the eight-hour day and 40-hour week are best in terms of efficiency and absenteeism and . . . higher levels of hours are less satisfactory." Longer working schedules may result in larger output, although the increase in output is not proportional to the working hours and, therefore, the unit labor



cost increases. For hours above eight per day and 48 per week, it takes at least three hours of work to produce two normal hours of output; in heavy industries, four hours of work are required. In some cases the output gained by added hours hardly warrants the time expended and cost involved, and it is possible to lengthen the working period so much that lowered efficiency completely cancels any increase in output.

3. ABSENTEEISM

Absenteeism accounts for part of the difference between actual time worked and the scheduled work-week, and helps determine the net output of a given

work schedule. The different ways in which management schedules the workweek have an important effect on absenteeism and therefore on actual time worked.

It is extremely significant that the longer the workweek, the higher the rate of absenteeism. Although it is difficult to trace back absences to their specific causes, there are suggestions that the longer workweek makes it more imperative for the worker to take time out for urgent personal matters. Similarly, the loss of pay means much less to the wage earner than ordinarily. Just the opposite is true in a very short workweek. Workers cannot afford to be absent and there is some indication that they frequently come to work despite extreme discomfort and illness.

The weekly pattern of absenteeism brings out clearly the impact of differing work schedules. In the five-day week no day is markedly higher than any other except, perhaps, for a somewhat higher rate on Monday, the first day of the week. When the week consists of 6 workdays, absenteeism is highest on Saturday. In this schedule, women (who have higher rates of absenteeism in general) are particularly subject to absenteeism on Saturday. For the night shift, where the workweek begins Sunday night, absenteeism is generally high on the first night.

4. WORK INJURIES

Work injuries are influenced by differing hour-schedules. They tend to increase disproportionately as hours increase above eight per day and 40 per week. When weekly hours are raised to 54 or more, the frequency rate of such injuries rises even more sharply.

5. HOW SHORT CAN THE WORKDAY BE?

The review above of the U. S. Bureau of Labor Statistics studies gives some idea of the wide range of results that were obtained and of the large number of factors that contributed to the relation of hours to output. It should be added that cutting the hours of work does not automatically result in increases in productivity. In fact, there are clear indications that efficiency decreases and costs per unit increase where substantially shorter hours prevail.

The reasons for this are not hard to find. For one thing, whether the workday consists of ten, eight, or six hours, starting-up and shutting-down activities in preparation for actual production usually take the same amount of time. The time remaining to "get production rolling" is decreased. Similarly, overhead costs and administration are sometimes made more expensive. The increase in the number of workers necessitates additional personnel

records and payroll computations, and may result in an increase in the volume of hiring and turnover.

There are also indications that when the daily shift is shortened to say, six hours during periods when employment is good, some of the workers "double up," finding other jobs on a part-time or even full-time basis. In such cases, cutting the length of the work-shift results in a longer workday for some workers. This does not achieve the goal of converting production gains into additional leisure.

These observations suggest that the achievement of shorter hours than now prevail will be at least as difficult as in the past, if not more so. In 1947, the Twentieth Century Fund's survey of *America's Needs and Resources* (see Table 1, p. 6) made estimates of future hours of work throughout our economy. The survey assumed that high levels of economic activity and relatively full employment would continue to prevail. On the basis of these assumptions, scheduled hours averaged across the whole economy are expected to be just below 40 hours in 1960. Actual hours worked are expected to average 37.7 hours.

This does not mean that all workers in the economy will work exactly 37.7 hours. There will be those who work even shorter hours and almost as many who will be working longer than average. For instance, hours of work among agricultural workers are expected to average 48.0 hours per week in 1960. Workers in non-agricultural occupations and industries should average 35.6 hours. Even these averages summarize a range of hours worked that is extremely wide.

IV. Government Regulations on Hours of Work

THE DEVELOPMENT OF LAWS regulating hours of work has increased tremendously in recent years. Prior to 1933, federal laws relating to this subject were applicable only to (1) employees of the government itself, (2) work performed for the government by private contractors, and (3) private employment in special occupations and industries.

In 1933, the government was given the responsibility, under the National Industrial Recovery Act, for establishing more general standards of hours for all productive enterprise. This comprehensive set of powers has been carried forward partly in the Walsh-Healey Public Contracts Act of 1936, and mainly in the Fair Labor Standards Act of 1938, with its subsequent 1949 amendments.

During these years, there has been a continuation of the need for hours laws which apply to problems arising among special groups of employees. These will be briefly described along with the others mentioned above.

1. THE EIGHT-HOUR LAW

In 1892, Congress enacted a law establishing an eight-hour day for laborers and mechanics employed on public works. The law applied to government employees and employees of contractors working for the government, and constituted the earliest federal law



relating to hours of work. The Naval Appropriations Act of 1911 provided that naval shipbuilding must be conducted under the 8-hour day. In 1912 much of the above coverage was restated in clearer legislative style in a new statute. Work on rivers and harbors was added to the original area of coverage in a 1913 law. These laws became known as the *Eight-Hour Law* and have continued in effect since those early years. It is interesting to note that they provided an absolute ceiling of eight hours on the daily work of the mechanics and laborers covered.

The U. S. Housing Act of 1937 extended the rules of

the Eight-Hour Law to cover Federal Housing projects as well as the suppliers of materials and labor for their construction. In September, 1940, the absolute ceiling was replaced by the already established national policy of not restricting the actual number of hours worked, but rather, offering a money incentive to employers to keep work below the eight-hour ceiling. The Eight-Hour Law today provides for an eight-hour day with a minimum of time and a half for overtime on any public work or in dredging and excavating rivers and harbors.

2. SECTION 7(a) OF THE NATIONAL INDUSTRIAL RECOVERY ACT

In 1933, the National Industrial Recovery Act (NIRA) was passed. This Act constituted the most comprehensive machinery for regulation that had ever been attempted by the government. Section 7(a) of the Act was the basic labor statute and provided that each industry should establish standards for hours of work, along with other labor matters. These hours standards were integrated into the industry codes and a large number of them called for the eight-hour day and 40 or 44-hour week as an absolute allowable maximum. With the invalidation of NIRA by the U. S. Supreme Court, the labor standards fell along with the codes. However, the regulations applicable to hours of work were important predecessors of similar rules in the Fair Labor Standards Act.

3. THE PUBLIC CONTRACTS ACT OF 1936

The Walsh-Healey Public Contracts Act represents an additional Congressional step in the regulation of hours and wages. In this Act, employment on government contracts in excess of \$10,000 have to meet prescribed standards including a maximum eight hour day and forty hour week. Additional provisions call for the payment of prevailing wages, prohibit convict and child labor, and boycott goods manufactured under unsanitary conditions. The Secretary of Labor is authorized in the Act to increase the maximum hours so long as the added hours are paid for at time and a half. This change was immediately instituted and the absolute hours limitation in the Act was superseded by the economic overtime penalty.

4. THE FAIR LABOR STANDARDS ACT OF 1938

The culmination of the trend to regulate hours of work was the Fair Labor Standards (Wage-Hour) Act of 1938. This act provided the broadest application of maximum hour regulations ever attempted, with the possible exception of the NIRA provisions. While exemptions were provided for employment in agriculture, fisheries, retail trade, transportation, and some minor

categories, the remaining coverage was extremely broad and reached into all the geographical areas and industrial segments of the nation's economy.

The hours provision of the Fair Labor Standards Act was gradually imposed during a two-year transition period. Effective October 24, 1938, a 44-hour maximum workweek was prescribed. This was reduced to 42 hours in October, 1939, and 40 hours in October, 1940. Time worked above the maximum was to be paid at time and one-half the regular rate of pay. Other provisions of the Act established a minimum wage and other standards for working conditions.

The Portal-to-Portal Act of 1947 was actually an amendment of the Fair Labor Standards Act in that it defined more clearly what time spent in certain activities connected with one's job was to be counted as time worked. Certain preliminary activities such as checking in, washing up, and walking to and from the actual place of work, are subjects which the Act attempts to allocate to the workday, or not, as the circumstances seem to justify.

The 1949 Amendments to the Fair Labor Standards Act were essentially definitional extensions of the Act's provisions and did not substantially change the rules involving hours of work.

5. FEDERAL LEGISLATION AFFECTING SPECIAL GROUPS

In addition to the somewhat general coverage of the laws which have been mentioned above, there are several laws which cover the regulation of hours for special occupational and industrial groups. While the primary purpose of these measures is to encourage safety, the provisions have had an important influence on the length of the workday and workweek.

The Railroad Hours of Service Laws date from before World War I. These laws established an eight-hour day in railroad transportation for the purpose of calculating compensation. At the same time, standards for maximum continuous hours of work and minimum hours of rest were set for safety purposes.

The Mineral Lands Act of 1920 included a paragraph providing "such rules for the safety and welfare of the miners and for the prevention of undue waste as may be prescribed by said Secretary (of Interior), including a restriction of the work day to not exceeding eight hours in any one day for underground workers except in cases of emergency."

The Motor Carrier Act of 1935 (amended 1938 and 1940) defines the powers and duties of the Interstate Commerce Commission in relation to motor vehicle carriers. The Commission is given the duty to regulate

motor vehicle common carriers, contract carriers, and private carriers, including the establishment of maximum hours of service of employees.

The Interstate Commerce Commission has prescribed rules for drivers, helpers, loaders, and mechanics. The maximum allowable hours are set at 60 per week and 10 per day, with provision for at least 8 hours rest between driving spells.

The Civil Aeronautics Act of 1938 covers maximum working time for pilots and copilots of air carriers engaged in interstate air transportation. The Civil Aeronautics Board acting under powers granted by the Act has fixed the following maximum hours for first pilots: daily: 8 consecutive hours during 24 consecutive hours; weekly: 30 hours in 7 days; monthly: 100 hours as a member of crew; annual: 1,000 hours.

The Sugar Act of 1948 provides that a child between 14 and 16 years of age may not work more than eight hours a day in the farming of sugar beets or sugar cane.

6. STATE LAWS ON HOURS OF WORK

Although it is not possible to summarize the laws regulating hours of work that occur in the individual states, they must not be completely overlooked in this pamphlet. The several states have extensive and diverse hours regulations on specific industries, occupations, and conditions. They forbid work over set maxima, or estab-

lish premium rates of pay for such overtime. Individual inspection of the appropriate state laws is required in order to evaluate the coverage and incidence of state laws regulating hours of work.

V. Hours of Work: Collective Bargaining Provisions

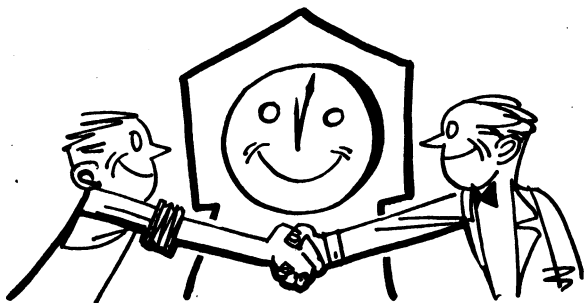
UP TO THIS POINT, we have investigated the broad implications and economy-wide effects of the trends in hours of work. In industrial relations, the clauses and paragraphs of contracts established by collective bargaining put into effect the specific conditions that this pamphlet has already summarized for the economy as a whole. Information on specific provisions in current agreements is reported on a continuous basis by the U. S. Bureau of Labor Statistics. These government bulletins provide the data for the following discussions.

No attempt is made here to analyze the widespread differences in terminology of negotiated provisions regarding hours of work. However, a summary list of important subjects is itemized, and the significance of each item is described.

At present, the 8-hour day, and 5-day, 40-hour week have been established in bargained agreements as the normal work schedule. In a few industries, such as men's and women's clothing and newspaper and commercial printing, a shorter workweek is prevalent. A longer workweek is frequently found in retail trade and in a few

other industries not covered by the Fair Labor Standards Act.

Under collective bargaining agreements, variations in the standard hours of work are allowed in some industries which are subject to seasonal operating conditions and a few agreements have special provisions governing the hours of work of women and minors.



Closely associated with setting the length of a standard workday and workweek is the scheduling of the daily and weekly hours of work. Some agreements give management the sole right to schedule hours of work, but others require that the union be consulted.

Some agreements specify that travel time and time spent in certain preparatory activities related to the job are to be considered as working time. Many agreements have provisions concerning other matters related to hours of work, such as rest periods, meal and washup time, preparing reports, tardiness, time spent in meetings called by the employer, and in completing service to

customers after quitting time. In the following paragraphs, summary comments are given describing the application of these provisions in the bargaining agreement.

1. LENGTH OF REGULAR WORKDAY AND WORKWEEK

Insofar as agreements deal with hours of work, their main function is to define the number of hours constituting the normal workday, workshift, or workweek. Such definitions serve a two-fold purpose: they prescribe the daily and weekly hours during which work is to be performed, and they provide a basis for calculating overtime.

Regularly scheduled hours of work are fairly well standardized at 8 a day and 40 a week. These scheduled hours are not a guarantee of actual work hours; they are standards which delimit and define the schedule of work during which regular or straight-time rates of pay prevail. In general, these scheduled hours do not constitute a rigid maximum of daily or weekly hours of work. Instead, they set a standard above which extra hours worked are normally compensated at a premium or overtime rate of pay.

2. EXCEPTIONS TO REGULAR SCHEDULES

In a number of states, a maximum limit on the hours of work of women and minors is established by law. Such restrictions are reflected in agreements which specify a shorter workday and workweek for women and minors than for adult male employees.

Other agreements provide for the lengthening of the standard workweek during busy seasons of the year, often with a waiver of overtime pay requirements. For example, the canning of fruits and vegetables is geared to the short period during the year when crops ripen. During these periods, exceptions to the standard workweek are allowed. In retail trade and some other industries, similar exceptions to the hours standards are sometimes permitted during the year-end inventory taking. The extra work is often paid for at straight time, and a maximum may be set on the time to be spent on such work. In almost all cases, these provisions apply only to the extreme peaks of seasonal employment.

3. SCHEDULING OF WORKING HOURS

Because one purpose of defining the normal workday and workweek is to establish boundaries beyond which work is normally compensated at premium rates, it is often the practice to specify the regular starting

and quitting time of the workday, and the days of the workweek.

Management may be given the explicit right to establish and change the scheduled working hours to meet necessary production requirements and to achieve maximum efficiency. However, various restrictions are often imposed, such as posting the schedule, prior consultation with the union, and making the change subject to the grievance procedure.

Some agreements require the employer to schedule hours of work of individual employees in such a manner that work is approximately equally divided among the employees. Others require that schedules be rotated to allow each employee to work an equal number of the more desirable or less desirable hours. For example, a food store open 72 hours per week would have to rotate its personnel so that each clerk had an equal number of busy and slack hours.

4. REST PERIODS

Many employers have found that total daily output may be increased by allowing brief rest periods to break the monotony of repetitive operations. Usually, such periods are allowed without deduction from pay, but practice varies as to the number, length, and scheduling of the periods. Most frequently, a time allowance of 5 or 10 minutes is specified, and rarely is the period

more than 15 minutes. Agreements usually allow only one or two rest periods a day.

Unions may recognize that abuse of the rest period privilege should subject employees to disciplinary action, or give the employer the right to discontinue rest periods.

5. MEAL PERIODS AND ALLOWANCES

The length and scheduling of lunch periods are covered in detail by many agreements. Some allow as little as 15 minutes for lunch, others as much as an hour; workers on continuous process operations are sometimes required to eat lunch without leaving the job.

Paid lunch periods are not usually provided in union agreements, particularly on normal, single-shift operations. A number of agreements, however, provide for paid lunch periods on night shifts or for employees on certain operations. Where continuous 24-hour production makes 3-shift operations necessary, paid lunch periods are sometimes provided for all shifts in order that daily earnings will not be decreased through the necessary 8-hour limitation on any one shift.

6. TRAVEL TIME

In the *Mt. Clemens Pottery case*, June 1946, the Supreme Court of the United States held that employees' working time under the Fair Labor Standards

44 · HOURS OF WORK

Act of 1938 included time spent on the employer's premises in traveling to the actual job site, as well as other nonproductive time related to the performance of the job.

Travel-time provisions are most frequently incorporated in agreements covering minors, public utility, construction and maintenance employees, and other workers whose workplace is likely to be a considerable distance from some central assembly point. All time spent in travel from designated bases to the worksite is considered work-time and paid for under some agreements. Others allow pay only for travel in excess of a specified distance or make a flat allowance for travel time regardless of distance.

7. PREPARATORY ACTIVITIES RELATED TO THE JOB

Many jobs require preliminary activities, such as checking out and preparing books, arranging the work space, laying out materials, etc. Likewise, at the end of the workday, employees may be required to clean their tools and return them to the tool room and to put the workplace in order. Under the Portal-to-Portal Act, time spent on such activities is considered hours worked for the purposes of the Fair Labor Standards Act, when it is made subject to payment by either an express provision of a written or nonwritten contract, or a custom or practice at the place of employment not inconsistent with such a contract.

8. TIME ALLOWANCE FOR WASHING UP, CHANGING CLOTHES, AND MAKING REPORTS

Employees are sometimes allowed to wash up on company time, particularly in those industries where the work is dirty or where materials handled involve health hazards. Usually, such wash-up time is allowed only at the end of the shift, but in some instances it is also granted before lunch. The amount of time allowed rarely exceeds 5 or 10 minutes.

Time for changing clothes from street to working clothes and vice versa at starting and quitting times, respectively, may also be allowed without deduction in pay.

In certain industries such as street and bus transportation, employees are regularly required to make out reports or time slips or to turn in receipts at the end of the day's work. Some agreements specify that time spent in such activities is to be considered working time.

9. TARDINESS

Agreements vary considerably in their provisions regarding tardiness at the beginning of the shift or after the lunch period. In some instances, no deduction from pay is made for tardiness if it does not exceed a few minutes (usually 3 or 5) or if the employee is not tardy

46 • HOURS OF WORK

more than a specified number of times during the month. Other agreements deal with tardiness in stricter fashion: A minimum of 15 or 30 minutes' pay may be deducted each time the employee is tardy, or the tardy employee may not be allowed to begin work until the next quarter hour after his arrival.



VI. Overtime Pay: Collective Bargaining Provisions

PROTECTION OF HOURS OF WORK standards by the requirement of a higher-than-regular rate of pay for overtime work has been a traditional policy with organized labor. Almost every union agreement, therefore, includes provisions governing overtime work.

The most common overtime rate is time and a half the regular rate, although some agreements require double time. In some instances, a graduated scale is provided; for example, time and a half for a specified number of hours of overtime and double time thereafter. In others, certain groups of employees, such as maintenance workers, are excluded from overtime payments. Under a few agreements, overtime rates are waived for a given number of weeks during busy seasons.

Other aspects of overtime work dealt with by many agreements include time off in lieu of overtime pay; lay-off to avoid payment of overtime; what constitutes hours worked for overtime purposes; and equitable distribution of overtime work among the employees.

1. WHEN OVERTIME IS PAYABLE

The overtime rate is usually applicable to work in excess of eight hours a day or forty hours a week. In some instances, all work performed outside the employee's regularly scheduled daily hours is also considered overtime work, regardless of whether it is in excess of eight hours.

Many agreements have special overtime provisions relating to plant-protection employees and others who work irregular schedules. Such employees may be required to work a longer workday than employees on regular schedules before the overtime rate is applicable, or they may receive only weekly overtime.

2. COMPUTATION OF HOURS USED AS BASIS FOR OVERTIME

Many agreements spell out in detail what does and does not constitute time worked for purposes of computing overtime, i.e., what hours are to be considered part of the workday or workweek which is to be used as the basis for overtime. In some instances, time lost because of illness, injury, death in the employee's immediate family, jury duty, holidays, production difficulties, and lack of work is considered as time worked for overtime purposes. Time spent by union representatives in

adjusting grievances during working hours is usually counted as time worked. If the agreement allows pay for travel time and time spent preparing for work and cleaning up after work, such time is included in the basic hours upon which overtime is computed.

3. REGULAR RATE UPON WHICH OVERTIME PAY IS COMPUTED

The Fair Labor Standards Act requires that an employee be compensated for overtime at a rate not less than one and a half times the "regular rate" at which he is employed. In general, the employee's regular rate, for purposes of computing overtime under the Act, is determined by dividing his weekly earnings (excluding any true overtime premium) by the total number of hours he worked during the week. Individual merit and seniority increases, where such exist, become a part of the "regular" rate or average hourly earnings upon which overtime is based. Shift differentials are also included.

The regular rate used as a basis for weekly overtime payment to a pieceworker is usually stipulated in agreements to be his average hourly earnings for the week, rather than his base, guaranteed, or piece rate.

If employees are paid a weekly or monthly salary, the agreement may specify a method of converting the salary to an hourly basis, for purposes of overtime computation.

4. SEASONAL EXEMPTIONS

For certain seasonal employment, the Fair Labor Standards Act allows exemption from the requirement that time and a half be paid after 40 hours per week. These exemption provisions of the statute are incorporated in a number of agreements. Under others, however, the employer waives his right to take advantage of these exemptions.

5. TIME OFF IN LIEU OF OVERTIME PAYMENT

Some agreements covering employees not subject to the Fair Labor Standards Act make no provision for overtime pay but require that the employee be allowed compensatory time off for overtime worked; some of these agreements require one and a half hours off for each hour of overtime. Others prohibit time off in lieu of overtime pay or allow the employee the option of overtime pay or compensatory time off.

6. ALLOCATION OF OVERTIME WORK

In order to avoid discrimination against individual employees or union members, many agreements require that overtime work be distributed as equally as

possible. Equalization of overtime may be on a plant-wide basis or on a departmental or occupational basis, and may be among all employees or only among employees who request overtime.

Employees may be allowed to claim overtime work in order of seniority. In some instances, stewards, committeemen, or other union representatives are given preference for such work.

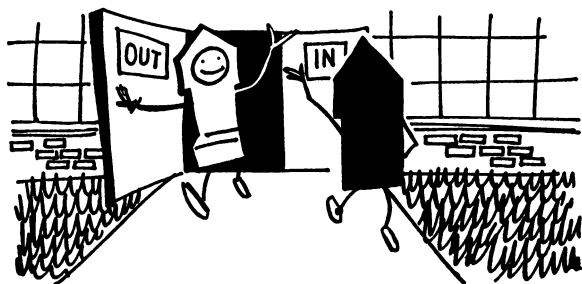
The employer may be allowed to withhold overtime work from employees who are habitually absent or tardy. Overtime lost by reason of the employee's absence from work or by his refusal to work overtime when it is offered him may be considered overtime worked for purposes of equalizing the overtime.

7. RESTRICTION OF OVERTIME WORK

Although penalty rates tend to limit overtime work automatically, specific restrictions on such work are often imposed. A few agreements prohibit overtime work altogether or limit it to emergencies. Overtime work may be allowed only if all employees are working full time or only during busy seasons; a maximum limit on the amount of daily or weekly overtime may be specified.

VII. Shift Operations: Collective Bargaining Provisions

ALTHOUGH NIGHT WORK is generally considered undesirable because of health hazards and disruptions to normal family life and social activities, such work is un-



avoidable in many industries. Places of entertainment, restaurants, and other establishments directly serving the public often find it necessary to remain open for business during the evening or night because of the needs and habits of their customers. Urban transit companies and other utilities must maintain a minimum force 24 hours a day, and usually must call in additional workers

during daily peak periods. Some industrial processes require continuous operation throughout the day and night and from week to week, making shift operations an absolute necessity.

In practice, multishift operations have created a number of problems in addition to the pay rate for other than regular day work. Some of these are: Shall shifts be fixed or rotated at regular intervals? How frequently shall shifts be rotated? How shall the assignment of work to shifts be made, by seniority or on some other basis?

Collective bargaining agreements generally do not prohibit night work entirely, but often require the payment of a wage differential as compensation for the undesirable features involved. Shift premiums thus established through collective bargaining are often designed to serve a dual purpose: (1) to deter or penalize the unnecessary scheduling of late shifts, and (2) to provide extra compensation for work performed during undesirable hours.

1. LIMITATIONS ON MULTIPLE SHIFTS

The number of shifts to be operated is usually left to the discretion of management. Restrictions on night shifts are effected in some agreements by a proviso that work performed prior to or after the regular hours shall be paid for at the overtime rate.

2. SHIFT DIFFERENTIALS

Employees working shifts other than the day shift are usually compensated for inconvenient hours by a wage differential, an hour differential, or, in rare instances, a combined wage and hour differential. The wage differential is usually in terms of cents-per-hour or a percentage premium, although it is sometimes stipulated as a flat sum per shift, week, or month. If the differential is in terms of hours, shift workers receive pay for more hours than are actually worked, for example, eight hours' pay for seven hours' work. Under a combined wage and hour differential, shift workers receive a premium in the form of a higher hourly rate and shorter hours.

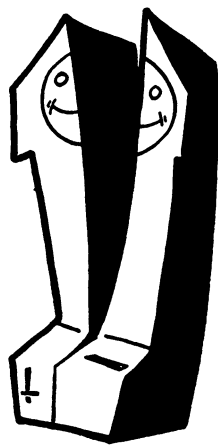
3. SHIFT SCHEDULES AND ASSIGNMENTS

Shift scheduling is often complicated, and the details are frequently excluded from the agreements. Many agreements, however, have provisions intended to minimize the inconvenience of abnormal working schedules. For example, some of them require that shifts be rotated at specified intervals, so that all workers will take their turns at night work. Others provide for rotation by majority vote of the workers affected. Still others provide that both parties shall work out a plan whereby shifts may be rotated.

Choice of shift in accordance with seniority is frequently permitted where fixed schedules are the rule. Exceptions to this practice are sometimes allowed so that older employees may be required to work with younger employees for training purposes or to maintain highest efficiency.

4. SPLIT SHIFTS

A split shift is a daily work schedule that is not continuous but divided into two or more periods with a substantial intervening time interval. Workers generally dislike split shifts because of the spread of time during which they are liable for duty and because of the inconvenience of traveling back and forth to work more than once a day. Many agreements prohibit split shifts or permit them only in emergencies. Without expressly referring to split shifts, some agreements in effect prohibit them implicitly by stipulating that the hours of work shall be continuous and consecutive. However, the daily operation of some industries—urban passenger transportation and restaurants, for example—is characterized by two or more peak periods with relatively little interim activity. Agreements in such industries usually permit the splitting of shifts, but



56 • HOURS OF WORK

regulate the number of splits permissible and the length of the spread of hours. For example, only one split in a shift may be permitted, the shift to be completed within 12 hours.

VIII. Concluding Remarks

THE SIMPLICITY of the term "hours of work" masks an extremely complex and interrelated set of concepts. These notions involve the appropriate standards for working time. Different time standards and differing standards of compensation frequently apply to the workweek, the workday, overtime work, multi-shift operations and standby time. The complexities of present-day problems dealing with hours of work have progressively developed from the simple rule of work "from sunup to sundown." Despite the complexities, however, the progress in shortening hours has been remarkable and consistent over the last century.

There are some who would attribute these gains almost exclusively to the influence of trade unions. However, others would argue that the pressure of public opinion, legislative advances, and the forces of competition have also contributed important shares. Whatever the relative influence of each factor may have been, the reduction in the workweek has been made possible only because, over the last century, the U. S. economy was growing in size, advancing technically, and becoming increasingly productive.

There can be little doubt that economic growth, technological advancement and productivity gains will continue in the future. The history of the past hundred years suggests that along with these fundamental economic improvements will come the opportunity to shorten our working hours from their present levels.

Perhaps just as important as the question of how much we can shorten our working time is the manner in which we take our added leisure. For there are several alternatives.

One possible way to take the added leisure is in shorter daily hours. Shifts might be shortened to six or seven hours and an added daily quota of leisure attained. It is important to recognize, however, that for each hour of the work schedule that is eliminated, we do not automatically achieve an extra hour of leisure. In the longer work-days of a century ago and before, the hours frequently included two meal times, and in some cases the meals were provided by the employer. Time for meals and absorption of their cost by the employer are rarely included in our shorter present-day work span. Then, too, the congestion of our cities and the dispersal of industry has made it necessary to spend more time getting to and from work. The automobile has not shortened the time spent in getting to work as much as it has made it possible to get there from longer distances. Thus, the decrease in working hours has been offset at least in some degree by the worker's added time in traveling to and

from work and also over the long run by the separation of meal time from the daily work schedule.

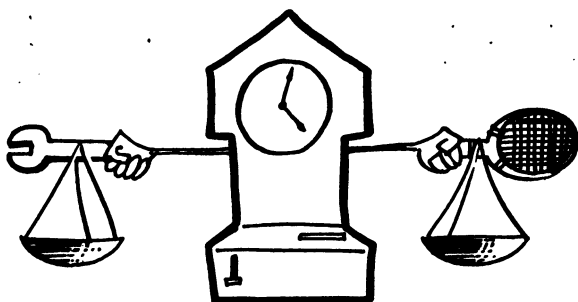
The employer also may be faced with higher overhead costs with a shorter work shift. Overhead costs can be reduced by scheduling two short shifts during the daylight hours, but this raises the possible issue that shift differentials may also increase labor costs.

A second alternative might be to take the leisure resulting from shortened hours in a shortened workweek. Reducing the number of working days in the week while maintaining the present length of workday has some obvious advantages for the employee in the form of longer weekends or free days in the middle of the week. However, reducing working hours in this fashion forces drastic rather than gradual curtailment of working time. To cut the workweek from five days to four reduces working time by 20 percent. The economic readjustment involved in such a substantial cut in hours of work would be serious and have broad economic effects. Even the curtailment of a half-day of work per week would involve a substantial readjustment of costs, prices, and perhaps, wages.

Still a third way to take added leisure resulting from curtailed working hours would be in the form of added vacations and holidays with pay. There is a growing recognition in collective bargaining contracts of paid vacations and an increased number of holidays for industrial as well as white collar workers. This tendency

dates primarily from World War II and the "fringe benefit" policies of the War Labor Board. The currently operating Wage Stabilization Board also recognizes relatively liberal standards on these issues.

A final possibility is to accumulate our leisure for our old age and take the shorter working hours in the form of



earlier retirement. Postponing the age when we enter the labor force and start to work is another method of achieving the same result. Here, too, current developments in the liberalizing of Social Security coverage and benefits, and also in the expansion of private pension plans, represent steps toward achieving a worry-free and larger amount of leisure after retirement from active work.

It is generally agreed that one way we want to avoid taking our leisure is in the form of substantial unemployment. The impact of a large volume of unemployment is not evenly distributed throughout the labor force; the burden falls in most cases on those who are least able to bear it. Furthermore, the leisure attained during a long

period of involuntary unemployment has little value to the worker who has lost his source of income, his savings, and his credit. Leisure allocated among the labor force by unemployment is not an appropriate solution to the problems raised by the length of the standard workweek or workday.

At the present time, the eight-hour day and the forty-hour week provide a reasonable balance between production and leisure. That this situation will change as our productivity increases is almost certain. The danger lies only in trying to cut working hours before our economic efficiency can produce the goods we are willing and able to buy. A glance at the past shows that we can obtain more goods and added leisure concurrently. But they can be obtained only as the increased productivity of our economy makes them possible.

IX. Suggestions for Further Reading:

BARKIN, SOLOMON, "Labor Views the Working Day," *Advanced Management*, Vol. 7, No. 1, January-March, 1942, pp. 32-37.

BLOOM, GORDON F., and HERBERT R. NORTHRUP. *Economics of Labor and Industrial Relations*, (Philadelphia: Blakiston Co., 1950). See particularly Chapter 22, "The Economics of the Shorter Workweek," pp. 507-530.

DEWHURST, J. FREDERIC, and ASSOCIATES, *America's Needs and Resources*, (New York: Twentieth Century Fund, 1947). See particularly Chapter 2, "Past Trends and Future Output," Chapter 22, "The Labor Force," and Appendix 3, "Estimated Employment and Average Weekly Working Hours, 1850-1960."

GRAHAM, BENJAMIN, "The Hours of Work and Full Employment," *American Economic Review*, Vol. 35, No. 3, June 1945, pp. 432-5.

MILLIS, HARRY A., and ROYAL E. MONTGOMERY, *Labor's Progress and Some Basic Labor Problems*, (New York: McGraw-Hill Book Co., 1938), pp. 463-536.

MOULTON, H. G., and M. LEVEN, *The Thirty Hour Week*, (Washington: Brookings Institution, 1935), 20 pp.

NEW YORK (State) DEPARTMENT OF LABOR, *Health and Efficiency of Workers as Affected by Long Hours and Night Work*; experience of World War II, (Albany, 1946), 28 pp.

NORTHRUP, HERBERT R., and HERBERT R. BRINBERG, *Economics of The Work Week*, Studies in Business Economics Number Twenty-four, (New York: National Industrial Conference Board, 1950), 64 pp.

U. S. BUREAU OF LABOR STATISTICS, *Hours of Work and Output*, Bulletin No. 917, (Washington: 1947), 160 pp.

WOLMAN, LEO, *Hours of Work in American Industry*, Bulletin 71 (New York: National Bureau of Economic Research, 1938), 20 pp.

WOYTINSKY, W., "Hours of Labor" in *Encyclopedia of the Social Sciences*, Vol. 7, pp. 478-93.

**PRINTED IN THE UNITED STATES OF AMERICA
BY THE UNIVERSITY OF CALIFORNIA PRESS**

