U.S. Labor Department Recovers $429,041 in Back Pay for 301 Workers in Fort Hood, Texas

13 Dry Cleaning Workers Stand to Benefit from Back Wages for Overtime

DALLAS -- Northrop Grumman Information Technology Inc. has paid $429,041 in back wages to 301 mechanics, technicians and range specialists working at Fort Hood, Texas, after a U.S. Department of Labor investigation revealed violations of the McNamara-O'Hara Service Contract Act (SCA).

The SCA applies to federal service contracts in the United States and requires that federal service contractors pay their employees the wages and fringe benefits prevailing in the locality where the work is performed.

"The Department of Labor is committed to enforcing the law to ensure that employees receive the wages they have earned," said Labor Secretary Elaine L. Chao. "In this case, the Department of Labor has returned $429,041 in back wages to these Texas workers. This Administration is committed to protecting all workers, and through the Department of Labor's determined efforts more than $212 million in back wages were recovered for workers last year."

The investigation covering the period March 1, 2001, to Sept. 30, 2003, found the company paid $1.39 per hour for health and welfare benefits, rather than the $1.92 to $2.15 hourly rate required by the SCA. In addition, the company paid lower hourly wage rates because some workers were misclassified in the occupation.

Northrop Grumman Information Technology, which offers various technological services to military, government and commercial users, is headquartered in Herndon, Va. All the back wages have been paid and the company has agreed to comply with the SCA in the future.

Northrop Grumman Information Technology is a division of Northrop Grumman Corp., Los Angeles, Calif.

The Wage and Hour Division (WHD) recovered more than $212 million in back wages in fiscal year (FY) 2003, a 21 percent increase over the record setting amount of FY 2002. Average days to resolve a complaint decreased in FY 2003 from 129 days to 108 days. WHD assessed employers nearly $10 million in civil money penalties in FY 2003.

For more information about the SCA and other laws enforced by the Department of Labor's Wage and Hour Division, call the Dallas district office at (817) 261-4371, or the Department of Labor's toll free help line at 1-866-4-USWAGE (1-866-487-9243). Information is also available on the Internet at www.wagehour.dol.gov and www.youthrules.dol.gov.

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