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**STATEMENT OF  
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**BEFORE THE  
SUBCOMMITTEE ON WORKFORCE PROTECTIONS  
COMMITTEE ON EDUCATION AND LABOR  
U.S. HOUSE OF REPRESENTATIVES**

*“Child Labor Enforcement: Are We Adequately Protecting Our Children”*

Chairwoman Woolsey, Ranking Member Wilson, and distinguished members of the Subcommittee

Thank you for the opportunity to discuss the efforts taken by the Department of Labor's (Department) Wage and Hour Division (WHD) to promote compliance with the Fair Labor Standard Act's (FLSA) child labor provisions. Let me begin by saying that WHD is committed to full and fair enforcement of all the laws under WHD's jurisdiction, but WHD staff's dedication to ensuring that youth in this country work safely and legally is second to none. As I will highlight, our accomplishments in strengthening child labor laws, raising public awareness of child labor requirements, and targeting industries in which young workers are likely to be injured or killed on the job have contributed to safer workplaces for young workers.

Like all regulatory enforcement agencies, WHD employs a variety of tools and activities to enforce the law and achieve compliance. The agency's mission is to *promote and achieve compliance*—not just to identify violations after they occur, but particularly in instances in which the health and safety of workers are concerned, to prevent violations in the first instance. The agency's child labor activities and initiatives are far too numerous to list individually, so I will point out our key efforts and accomplishments over the past several years.

### **WHD Enforcement Priorities In Improving Child Labor Compliance**

WHD has prioritized its statutory enforcement responsibilities to maximize protections for the greatest number of workers, including those most vulnerable in the workforce—low-wage workers, immigrants, and *young workers*. The absence of a private right of action to address oppressive child labor underscores the importance of this agency's role in safeguarding young workers. For this reason, increasing compliance with the child labor provisions of the FLSA is a cornerstone of the agency's annual performance plan. Every on-site investigation—complaint or directed—has a child labor component. Every low wage initiative—targeted for child labor compliance or targeted for other compliance reasons—requires that investigators examine child labor compliance. Child labor complaints, although not numerous, are given the highest priority within the agency. Every WHD investigator is trained early in his or her career to look for child labor violations. With each national child labor initiative, investigators gain both a renewed focus and specialized training.

Each year, WHD regional and local offices plan and undertake child labor compliance initiatives in a variety of industries and businesses, such as grocery stores, shopping malls, theaters, and restaurants. These industries are among those in which the agency has historically found high levels of non-compliance with the child labor Hazardous Occupations Orders (HOs) and in which large numbers of young workers are traditionally employed. The agency's low-wage initiatives in other industries, such as construction and agriculture, also require district offices to examine an employer's compliance with the FLSA child labor provisions in conjunction with a minimum wage

or overtime investigation or concomitant with the labor standards statutes that apply to agricultural workers.

In recent fiscal years, WHD regional and district offices have developed child labor compliance initiatives in industries or establishments that had a history of child labor HO violations or that have a high likelihood that a young employee might suffer a work-related injury or fatality. In fiscal year 2006, for example, WHD offices nationwide investigated discount department store operations to determine the level of compliance with the child labor provisions, in particular to determine their compliance with HOs that regulate paper balers, forklifts, and teen driving. In fiscal year 2007, district and regional offices continued their emphasis on reducing injuries and deaths to young workers by stressing compliance with the HOs. This year, the agency placed a particular emphasis on increasing compliance with HO No. 12, which regulates the loading and operating paper balers and compactors—a common and particularly hazardous piece of equipment found in many retail establishments and increasingly used in nursing homes, schools, and restaurants. The focus on HO No. 12 compliance will continue in fiscal year 2009 as offices develop their child labor initiatives for the upcoming fiscal year.

Several key statistics support the agency's continued emphasis on child labor enforcement. First, the number of enforcement hours charged to child labor compliance has averaged 57,900 over the last seven years (from fiscal year 2001 through fiscal year 2007). This is not significantly different than the 58,080 average child labor enforcement hours recorded during the preceding seven years (from fiscal year 1994 through fiscal year 2000).

Second, as noted above, WHD investigators examine child labor compliance in all on-site investigations. In the last three years, approximately 47 percent of the investigations in which a child labor violation was identified occurred in an on-site investigation initiated under another statute or program area enforced by WHD—primarily in investigations initiated to determine FLSA minimum wage and overtime compliance.

Third, the percentage of child labor cases in which a child labor violation is found has increased steadily over the last three years. Thirty-seven percent of child labor investigations in fiscal year 2005 found child labor violations. By the end of fiscal year 2007, the percentage had increased to 40 percent, which suggests improvements in targeting establishments and industries with likely child labor violations.

Fourth, WHD civil money penalty assessments per investigation have increased from \$4,558 assessed per case in fiscal year 2003 to \$5,303 assessed per case in fiscal year 2007. The agency has not hesitated to levy fines against employers found in violation of the child labor laws—proportionate to the severity of the violations. Although we have been successful in collecting civil money penalties, as established in the examples below, the more significant and long-term results have been demonstrated in our ability to secure future corporate-wide compliance and cooperative public

awareness campaigns by many of the investigated companies. Recent investigations include the following examples:

- In August 2008, American Multi-Cinema, Inc., (AMC Theatres), headquartered in Kansas City, Missouri, paid \$141,570 in child labor civil money penalties to resolve violations found in AMC theaters in several states. As part of the resolution, AMC Theaters produced a child labor public service announcement (PSA) on hazards associated with compactors and balers. The PSA is being shown in theatres nationwide as part of the company's *First Look* pre-feature entertainment program, and the expected audience is 8 million theater-goers.
- In January 2008, the Department obtained a permanent injunction in U.S. district court against Paragon Contractors Corp., a Hildale, Utah, contractor, for repeated violations of federal youth employment laws. The most recent investigation uncovered a 16-year-old working in roofing operations in violation of HO No. 16. The assessed civil money penalty of \$5,280 was paid by the company.
- In December 2007, Connecticut-based CVS Pharmacy Inc. agreed to pay \$226,598 in child labor civil money penalties after a 2007 investigation of CVS stores in New England and the Mid-Atlantic states found 78 minors illegally loading, unloading, or operating cardboard compactors and seven minors employed in violation of the FLSA time standards. CVS Pharmacy Inc. also agreed to ensure compliance with the FLSA at its more than 6,000 stores nationwide.
- In July 2007, Pretzel King LLC, doing business as an Auntie Anne's franchisee in San Bernardino, Downey, Arcadia, Glendale, Northridge and Bakersfield, California, paid \$51,500 in civil monetary penalties for allowing eleven 14- and 15-year-olds to work beyond the hours permitted by law and nine youths to be involved in prohibited baking activities. The stores also allowed 60 minors to operate freight elevators, dough mixers, and trash compactors, which are prohibited hazardous occupations for anyone under 18 years of age.
- In 2007, Jim Barnes Enterprises Inc., a McDonald's franchisee, paid \$86,500 in penalties after WHD determined that the firm allowed minors to perform hazardous duties, *e.g.*, operating a trash compactor and frying, at a Mobile, Alabama, restaurant. In addition, a Piggly Wiggly franchisee, SCVS Inc., paid \$30,000 in penalties after an investigation found 20 minors operating paper balers at two stores. These violations were uncovered as part of the WHD's Gulf Coast District Office local child labor initiative to increase compliance in grocery stores and restaurants.
- In the summer of 2007, Caesars Utah LLC, doing business as Little Caesars Pizza in Sandy, Utah, paid a \$110,800 civil monetary penalty for allowing minors to operate dough mixers and bake, among other activities in violation of the child

labor provisions. The company also agreed to educate the public at large by creating a statewide public service campaign called *Stop, Look and Listen*.

- In April 2006, Target Corporation paid \$92,400 in civil money penalties for exposing young workers to hazardous machinery in violation of the FLSA child labor provisions. Twenty-nine minors in seven New York/New Jersey-area stores were found to have operated either power-driven hoisting apparatus or power-driven scrap paper balers, or in some cases, both. The company provided WHD with an outline of the steps it planned to take to ensure full compliance with all child labor regulations in the future.

WHD believes its continued emphasis on child labor compliance has resulted in fewer child labor violations. The total number of investigations in which child labor violations were found is lower today than the total number in 2001, and the trend appears to be continuing. The number of minors found illegally employed last fiscal year (4,672) is nearly half of the number found illegally employed in fiscal year 2001 (8,818). The average number of minors found illegally employed per investigation has also declined from 4.2 in fiscal year 2001 to 3.7 in fiscal year 2007. More importantly, the number of minors found employed in violation of a hazardous occupations order in fiscal year 2007 (1,000) was a reduction of more than half the number found working in a hazardous situation in fiscal year 2001 (2,040). While these statistics can be attributed in part to the overall drop in the number of teens in the workplace, these declining trends should also be taken as an encouraging sign that fewer young workers are employed in violation of the law.

Children who work in agriculture are among the most vulnerable of the country's workers. The nature of agricultural employment, *i.e.*, its short duration, the remote locations, and mobility of the work, pose particular enforcement challenges. Agricultural work is difficult and dangerous. For youth, the hazards are significant. The fatality rate for young workers in agriculture is nearly six times the rate in other industries. Nearly 60 percent of the youth fatalities in agriculture during 1998—2002 occurred to youths who worked on the family farms. The deaths of young family farm workers accounted for nearly a quarter of all of the young worker deaths that occurred in all industries during the same period.

The standards for youth employment in agriculture have historically differed from nonagricultural employment. Under the FLSA, the child of a farmer can do any job, at any age, at any time, on a farm owned or operated by the parent of that child. The minimum age for employment is lower than for nonagricultural work. There is no minimum age for employment on small farms that the Act exempts from minimum wage requirements. The agricultural HOs prohibit only those youth under the age of 16, who are *not* working on his or her own family farm, from performing those tasks that the Secretary has found to be particularly hazardous for youth, as opposed to nonagricultural HOs, which apply to youth under the age of 18. Because youth are permitted to work in agriculture at a younger age, WHD is committed to promoting their safe employment in the industry. WHD investigators who conduct investigations in the agricultural industry

are instructed to examine compliance with the provisions of all applicable statutes providing protections for agricultural workers, particularly wages, housing, and transportation, field worker safety and *child labor* provisions. WHD investigated four occupational fatalities that occurred in fiscal years 2007 and 2008 involving teens under the age of 16 working in agriculture. Of those four cases, WHD found that only one involved a violation of the FLSA child labor provisions. The employer was assessed \$11,962 in civil money penalties—the maximum allowable penalty at the time. In the remaining three instances, there was no employment relationship.

Even in situations in which young workers are not subject to the FLSA child labor provisions, WHD has looked to methods other than enforcement to help young farm workers on family farms enjoy safe and positive work experiences. As I will discuss later, WHD has developed compliance assistance materials emphasizing occupational safety and health, disseminated public service announcements, and collaborated with other entities to educate parents and teens of “age-appropriate” task standards that parents can use to measure the capabilities of their children in performing agricultural work.

### **Compliance Assistance And Public Awareness Campaigns Affect Compliance**

Compliance assistance activities, which include providing clear and easy-to-access information on how to comply with federal employment laws, are key strategies in promoting voluntary compliance and should not be discounted. Parents, educators, employers, and young workers who are aware of the federal and state child labor requirements can make more informed decisions on when and where young people should work. Compliance assistance and educational activities are communicated in many ways, whether through speeches and presentations given to school groups or by PSAs. WHD uses every available means to provide compliance information to the public. WHD staff speak regularly to employer, employee, community, and advocacy groups. Local offices distribute self-audit materials and compliance guides to help employers evaluate their employment practices against the child labor laws. WHD investigators and managers work directly with school and work-permit officials to educate issuing authorities on how to screen potential violations before the work actually begins. With over 7 million covered worksites in the U.S., voluntary compliance with the child labor laws must be encouraged and supported.

In May 2002, the Department launched the *YouthRules!* public awareness campaign, which quickly became the centerpiece of WHD’s child labor compliance and public awareness efforts. The *YouthRules!* initiative is designed to increase public awareness of both federal and state rules concerning young workers; since its implementation, the initiative has provided an easily recognizable vehicle by which the public can obtain compliance materials. The web page, [www.youthrules.dol.gov](http://www.youthrules.dol.gov), provides a gateway to child labor compliance information on the internet. The site gets approximately 500,000 views a year in part because some 75 partners, associations, and governmental entities have linked or agreed to link their web site to the *YouthRules!* site. Most recently, Major League Baseball established an internet link from its web site to the agency’s *YouthRules!* page.

As part of this public awareness effort, WHD published and distributed a *YouthRules!* bookmarks and a *YouthRules! Employer Pocket Guide* in both English and Spanish. Similar publications were developed to educate employers and the public about the rules for youth employment in agriculture. Each year, WHD augments these printed and on-line *YouthRules!* materials with new fact sheets, guides, and other aides for compliance. WHD developed and posted self-assessment tools for restaurants, grocery stores, and other non-agricultural industries to help employers assess their compliance with the child labor laws. WHD designed posters with bold attention-getting colors and graphics to attract young readers. Agency field personnel developed a child labor compliance PowerPoint presentation geared towards a teenaged audience. The *YouthRules!* web site contains stickers that employers may place on dangerous equipment to warn teens and others that young workers are not permitted to operate certain equipment, such as forklifts and paper balers. Wage and Hour regularly updates this website to inform the public of new developments, such as the publication of new regulations.

The Department also developed and disseminated a *YouthRules!* PSA in fiscal year 2004. That first year, over 6,000 radio stations received a taped PSA, and 10,000 newspapers received a *YouthRules!* news article, including ethnic media and newspapers. That year, the radio PSA played over 340 times on 197 radio stations with an audience of 27 million listeners in 39 states. The print article generated 252 newspaper articles in 20 states with a readership of approximately 15 million.

In fiscal years 2005 and 2006, WHD's summer public awareness campaign focused on youth employed in construction, because of increasing numbers of young workers—primarily Hispanic—employed in that industry. As part of the campaign, WHD launched a new electronic seminar, "*Youth Working in Construction*," which is available on CD-ROM and on the *YouthRules!* web site. The seminar discusses the requirements for youth working in construction and concentrates on identifying the prohibited occupations in construction. A radio PSA and print article were issued to highlight the new seminar.

WHD's first *YouthRules!* rally was held in 2003. The event, at a Philadelphia mall, was highly successful, so WHD expanded the concept in 2004 to include additional rallies in Houston and New Jersey. The rallies are now annual events in Houston and San Antonio. Participation in the events numbers in the thousands.

In the last fiscal year, WHD updated the child labor PSAs and distributed them to more than 1,900 radio stations, including all 600 Spanish radio stations in the U.S. and Puerto Rico. The new PSAs focused on youth in agriculture—the industry with the highest youth fatality rate. WHD continued public dissemination of the PSAs as part of this year's annual *YouthRules!* campaign.

These diverse public awareness and compliance assistance activities continue a longstanding WHD tradition of promoting positive and safe work experiences by

educating parents, teens, employers, educators, and the public at large about the federal and state rules concerning young workers. The goal, as stated earlier, is to increase compliance and prevent violations from occurring in the first instance and through those efforts, safeguard the lives and futures of young workers.

### **Partnerships Promote Child Labor Compliance**

Strategic partnerships provide opportunities and avenues to encourage compliance in communities and among employers. Business associations, unions, state governments, federal agencies, community groups, academia, and others have collaborated with WHD to promote public awareness and undertake compliance assistance activities. The added support of our partners enhances the scope and effect of both enforcement and compliance assistance. WHD's national partnership activities include (but are certainly not limited to) collaboration with the following organizations.

#### *Federal Network for Young Worker Safety and Health (FedNet)*

The Department is a founding member of FedNet, a partnership of 14 federal agencies that share ideas, resources, and opportunities to keep young workers safe. This program strives to:

- Increase awareness of young worker occupational safety and health among key community players and young workers as they enter the workforce;
- Foster education, training, and outreach to promote young worker safety and health;
- Enhance federal initiatives that create relationships with small businesses, trade associations, and other organizations that employ young workers; and
- Promote resources that enhance employer compliance and knowledge of federal and state regulations related to young workers.

FedNet accomplishments include safe summer job kick-offs, brochures, and safety tips. The collaboration available through FedNet enhances opportunities for WHD to disseminate materials and information.

#### *National Institute for Occupational Safety and Health (NIOSH) and the Occupational Safety and Health Administration (OSHA)*

WHD has a longstanding partnership with NIOSH in the areas of improving workplace safety for young workers and in the collection and interpretation of injury and fatality data, especially as it related to rulemaking efforts. In 1998, WHD provided funding to NIOSH to conduct a comprehensive review of scientific literature and available data in order to assess current workplace hazards and the adequacy of the current child labor HOs. The report, entitled *National Institute for Occupational Safety and Health (NIOSH) Recommendations to the U.S. Department of Labor for Changes to Hazardous Orders* (NIOSH report), was issued in July 2002. The NIOSH report, which makes 35 recommendations concerning the existing non-agricultural HOs and



recommends the creation of 17 new HOs, was the impetus for the Department's April 2007 Notice of Proposed Rulemaking (NPRM).

In addition, WHD and OSHA have, for many years, been active members of the NIOSH-sponsored *Federal Interagency Work Group on Preventing Childhood Agricultural Injury*. This group, whose membership includes representatives of the U.S. Department of Agriculture (USDA), works to reduce young farm-worker deaths and injuries.

Finally, WHD works with NIOSH and OSHA in a "rapid response" young worker fatality notification system that keeps all three agencies advised of youth workplace deaths.

#### *Young Workers Health and Safety Network (YWN)*

WHD has also worked for many years with the YWN, a subcommittee of the Occupational Health and Safety Section of the American Public Health Association, to promote compliance with the child labor provisions and to reduce occupational injuries to and workplace deaths of minors. The YWN—which describes itself as an informal network of public health professionals, advocates, and government agency staff—includes individuals from academia, public health, labor law enforcement, health and safety consultation and enforcement, and labor organizations.

#### *Interstate Labor Standards Association (ILSA)*

WHD has an active collaborative relationship with ILSA, an organization of state labor department officials. As part of this ongoing coordination, WHD officials at the national, regional, and local organizations levels communicate with State labor departments on various child labor activities.

#### *U. S. Department of Agriculture (USDA)*

Given the higher fatality rates among young workers in the agricultural industry, WHD works with USDA on many issues. WHD's most recent collaboration with USDA involves the reinvention and streamlining of the tractor certification program. Under the child labor agricultural HOs, 14- and 15-year-olds may operate certain otherwise prohibited farm equipment after being properly trained and certified in the safe operation of the equipment. In most cases, agricultural extension service agents or agricultural vocational school instructors perform the training, testing, and certification based on requirements established by regulation. These requirements have become outdated, many of the training materials are no longer in print, and because of funding reallocations, not all states now provide the training or certification. The interagency agricultural HO Steering Committee has overseen the identification of the required skill sets, the development of a modern curriculum with multiple methods of delivery, the engineering of an electronic system that will register teachers, administer examinations, issue

certificates, and monitor the operation of the entire process. WHD continues to work with USDA to ensure the completion of this important project.

*National Children's Center for Rural and Agricultural Health and Safety (NCCRAHS)*

NCCRAHS, based in Marshfield, Wisconsin, strives to enhance the health and safety of all children exposed to hazards associated with agricultural work and rural environments. NCCRAHS receives funding from NIOSH. WHD staff have served on the NCCRAHS steering committee and have helped develop and disseminate the North American Guidelines for Children's Agricultural Tasks (NAGCAT). NAGCAT is a collection of guidelines designed to assist parents and others in assigning age-appropriate tasks for children ages 7 to 16 that live or work on farms and ranches across North America. The guidelines are based on an understanding of childhood growth and development, agricultural practices, principles of childhood injury, and agricultural and occupational safety. Voluntary use of the guidelines can help parents and others make informed decisions about appropriate tasks for youth.

*Equal Employment Opportunity Commission (EEOC)*

WHD works with EEOC to ensure that young workers experience a workplace free from discrimination and sexual harassment. WHD and EEOC jointly provide compliance assistance to employers of workers with disabilities—many of whom are under the age of 18.

**Regulatory And Legislative Initiatives Have Strengthened Child Labor Laws**

Because of changes in the workplace, the introduction of new processes and technologies, the emergence of new types of businesses in which young workers may find employment opportunities, the existence of differing federal and state standards, and divergent views on how best to balance scholastic requirements and work experiences, the Department has for many years been conducting an ongoing review of the criteria for permissible child labor employment. Some of the most significant accomplishments towards protecting working young men and women in this country are reflected in the recent revisions to the child labor regulations.

On December 16, 2004, the Department published a final rule that amended the child labor regulations to implement statutory amendments to two existing HOs: the Compactors and Balers Safety Standards Modernization Act, affecting paper balers and compactors (HO No. 12); and the Teen Drive for Employment Act, affecting teenagers whose jobs may include driving on public roads (HO 2). The regulations also updated the types of cooking activities allowed for 14- and 15-year-olds; revised the "roofing" HO to ban all work on or about roofs by youths under age 18; updated the definition of "explosives" in HO 1; and reduced paperwork in processing age certificates.

As previously noted, the NIOSH report made recommendations concerning the existing non-agricultural HOs and recommended the creation of 17 new HOs. Upon

receiving the NIOSH report, WHD conducted a detailed review and met with various stakeholders to evaluate and prioritize each recommendation for possible regulatory action consistent with the established national policy of balancing the benefits of employment opportunities for youth with the necessary and appropriate safety protections. The 2004 final rule addressed six of the NIOSH recommendations.

In April 2007, the Department published an NPRM and an Advance Notice of Proposed Rulemaking (ANPRM) as part of its continuing efforts to update the youth employment regulations for the 21st Century. The current proposals would represent the most significant revisions to the child labor regulations in 30 years. The proposals would strengthen youth employment regulations to protect against workplace hazards, expand youth workplace opportunities that have been judged safe and permissible, update regulations to better reflect the modern workplace, and address many of the remaining recommendations from the NIOSH report. WHD is in the process of drafting a final rule based on the comments it received in response to the NPRM, and anticipates transmitting that rule to the Office of Management and Budget shortly. WHD continues to review the comments received in response to the ANPRM, and the remaining NIOSH recommendations, for potential future rulemaking.

For the last several years, the President's budget has included a legislative proposal to increase the amount of civil money penalties that could be assessed for child labor violations that cause the serious injury or death of a young worker. On May 21 of this year, President Bush signed into law the Genetic Information Nondiscrimination Act of 2008 (GINA). Among other things, GINA amends the FLSA by increasing the civil money penalties that may be imposed for child labor violations resulting in death or serious injury. The legislation raised the maximum penalty to \$50,000 for each violation resulting in the death of or serious injury to working youth. In cases where the employer's violation is repeated or willful, the maximum penalty was raised to \$100,000. This new authority provides WHD with an important tool in securing compliance with the child labor provisions.

### **Improvements In Child Labor Compliance—A Continuing Priority For WHD**

As we have demonstrated, ensuring that young workers in this country have safe and appropriate early work experiences has been and continues to be a high priority for this agency. It is an integral part of every investigation, and WHD personnel nationwide are committed to this agency goal. WHD has used and continues to use every tool available—enforcement, compliance assistance, public awareness, partnership, regulation, and legislation—to promote compliance with the Nation's child labor laws. We believe that we have demonstrated success in these efforts, but as in every program, we look for opportunities to improve. Last year, the Department began working with an independent evaluator to assess our strategies and their effectiveness in increasing compliance with the FLSA child labor provisions. That study is ongoing, and we look forward to any recommended opportunities for improvements that may come. In examining our activities and accomplishments, however, we can cite several measures of success.

WHD has conducted two national, statistically valid, investigation-based compliance surveys of youth employed in the grocery store and restaurant industries. These are two industries that employ a high percentage of young workers. The first baseline survey was conducted in 2000 to gauge the level of child labor compliance in full-service restaurants, quick-service restaurants, and grocery stores. A second investigation-based survey was conducted in 2004 to determine if the levels of compliance had changed. These two surveys were full on-site investigations that not only included interviews of the young workers, but also included interviews with their co-workers and employers. The investigation-based surveys allowed WHD investigators to establish coverage under the FLSA, review payroll records, and make conclusive determinations on whether the teens were employed in violation of applicable federal law.

The 2004 investigation-based survey showed continued high levels of child labor compliance in the full-service restaurant and grocery store industries, similar to the levels found in 2000. The 2004 survey also demonstrated improvements in child labor compliance in quick-service restaurants in comparison to the 2000 survey results. WHD found significant reductions in the percentage of employers with repeat violations in all three industries. The 2004 survey investigations found that 91 percent of quick-service restaurants were in compliance with the FLSA child labor provisions and that 99 percent of youth employed in this industry were employed in compliance. The survey also found 73 percent of full-service restaurants were in compliance and 88 percent of youth workers were employed in compliance. Finally, 80 percent of grocery stores were in compliance and 95 percent of youth were employed in compliance in this industry. Ninety-six (96) percent of full- and quick-service restaurants and 88 percent of grocery stores were in compliance with the child labor HO provisions. The high percentage of youth employed in compliance and the increase in compliance among prior violators can be attributed to the compliance activities of the agency during the intervening year between the surveys. Those efforts continue today.

The 2004 survey results are not the only indicators of improved compliance. In FY 2007, WHD completed an investigation-based compliance survey, *i.e.*, the Youth Employment Survey (YES), to determine child labor compliance in four large national retail chains, Sears, Roebuck and Company (Sears); K-Mart; Wal-Mart Stores, Inc. (Wal-Mart); and Target Corporation (Target). All four companies had a history of child labor violations. Following the prior investigations, Sears and Wal-Mart had entered into settlement agreements with WHD to promote future child labor compliance.

Of the 67 establishments investigated, WHD found 82 percent (55 of 67) in full compliance with the child labor provisions. All establishments, but one, were in compliance with the child labor hours standards. Eight-four (84) percent of the establishments were in compliance with the child labor HOs. In total, 40 child labor violations were found involving 36 minors; one child labor hours violation and 39 HO violations. Of the 39 HO violations cited, 38 involved violations of HO No. 12 (balers). One HO No. 7 (forklift) violation was found. The findings in this initiative contributed,

in part, to WHD's decision to place an emphasis on increasing compliance with HO No. 12 as part of its fiscal year 2008 performance plan.

Sears was fully in compliance, with no child labor violations found. One Wal-Mart establishment was found in violation with a single HO No. 12 violation. Three Target establishments accounted for 14 violations involving 11 minors. K-Mart has the highest rate of non-compliance, with 7 stores having 24 violations involving 23 minors. These large corporate enterprises, that employ minors nationwide, have far fewer child labor violations and are far more aware of their obligations as a result of WHD's continued presence.

While these measures of compliance are encouraging, the declines in workplace injuries and fatalities are the most significant indicators of improved working conditions for young workers in this country. According to NIOSH-provided statistics, 38 youth under the age of 18 died from work-related injuries in 2007—a significant drop from the average of 61 youth aged 17 and under who were killed on the job during the years 1998 to 2002. Equally encouraging is the corresponding decline in youth fatality rates from a high of more than 3.5 per 100,000 FTE in 1999 to approximately 2 per 100,000 FTE in 2006. Injuries to young workers have also declined in recent years, although not as sharply as fatalities. In 1999, NIOSH estimated that over 70,000 14-to 17-year-olds were injured on the job seriously enough to warrant a trip to a hospital emergency room. By 2006, the estimate had dropped to 52,600.

The agency believes these injury and fatality results demonstrate significant progress in addressing child labor violations. The actions and activities of many parties have contributed to these declining statistics, but clearly too many minors continue to be injured while working, and even one death of a working teen is one too many. The challenge of protecting the welfare of young workers is a shared responsibility. It rests with federal and state officials, parents, educators, community-based and advocacy organizations, employers, and the young workers themselves. WHD remains committed to this challenge and will continue to promote legal employment opportunities for young men and women that are safe, positive, and do not distract from or interfere with their education.

Thank you again for this opportunity to discuss this important issue. This concludes my prepared statement. I would be glad to answer any questions.

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