

UNITED STATES DEPARTMENT OF LABOR

Office of the Solicitor

January 29, 1943

LEGAL FIELD LETTER

NO. 85

SUBJECT: Coverage of Employees Producing Machinery or Machinery Parts
Used in Production of Goods for Commerce

The Division is prepared to assert coverage in the following situations on the ground that the employees involved are engaged in occupations or processes necessary to the production of goods for interstate commerce within the meaning of section 3(j) of the Act:

(1) Employees engaged in producing machinery for sale within the State to another manufacturer who in turn uses that machinery to produce goods for interstate commerce;

(2) Employees engaged in producing completed parts for sale to another manufacturer within the State who installs them as replacements for worn out parts in machinery used in the production of goods for interstate commerce;

(3) Employees engaged in repairing or reconstructing machine parts which are installed within the State in machinery used in the production of goods for commerce;

(4) Employees engaged in installing within the State new or repaired parts to replace worn out parts in machinery used in the production of goods for interstate commerce.

However, the Division is not at present prepared to take a position with respect to coverage of employees engaged in producing completed parts to be used within the State by another manufacturer in assembling or producing machines which, in turn, are to be sold to a third manufacturer and used by him within the State for producing goods for interstate commerce. Similarly, the Division is not prepared to take a position with respect to employees engaged in producing unfinished parts which are sold within the State to a manufacturer who finishes such parts and installs them in machinery used within the State to produce goods for interstate commerce. Of course, if in either of these situations the completed machine parts or unfinished parts were sold within the State to a second manufacturer who installed them in machines which he shipped outside the State, the employees of the first manufacturer would be engaged in producing goods for interstate commerce within the coverage of the Act.

The Division is also not prepared to take a position with respect to the coverage of employees engaged in producing, sorting, or baling wiping cloths for sale and use within the State on machinery engaged in the production of goods for commerce.

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