

FLSA-614

October 31, 1977

The Office of Pension and Welfare Benefit Programs has referred a copy of your memorandum dated September 26, 1977, enclosing a letter from your constituent, *** concerning vacation and severance pay to this office for reply.

We have considered *** comments under the Fair Labor Standards Act which is the Federal law of most general application concerning wages and hours of work. The major provisions of this law are highlighted in the enclosed "Handy Reference Guide," which you may wish to send to your constituent. While this law provides many beneficial labor standards it does not require, as explained on page 2 of the Guide, that an employer grant vacation pay or severance pay to employees.

With regard to *** comments on the vacation pay provisions in the collective bargaining agreement, it is not Departmental policy to interpret the terms of such agreements. Such matters are left for interpretation by the employer, the unions, and the courts.

We regret that we are unable to be of assistance to your constituent in this matter.

Sincerely,

Xavier M. Vela
Administrator