

R-110

DEPARTMENT OF LABOR  
WAGE AND HOUR DIVISION

NOTICE OF HEARING ON PROPOSED AMENDMENT  
OF SECTION 536.2 (AREA OF PRODUCTION) OF  
REGULATIONS ISSUED UNDER THE FAIR LABOR  
STANDARDS ACT OF 1938.

WHEREAS, Section 13 (a) of the Fair Labor Standards Act  
of 1938 provides that the wages and hours provisions contained  
in Sections 6 and 7 of said Act shall not apply with respect

"(10 to any individual employed within the area of  
production (as defined by the Administrator), engaged  
in handling, packing, storing, ginning, compressing,  
pasteurizing, drying, preparing in their raw or  
natural state, or canning of agricultural or horti-  
cultural commodities for market, or in making cheese  
or butter or other dairy products."

and

WHEREAS, pursuant to the authority contained in said sec-  
tion, the Administrator of the Wage and Hour Division on October  
20, 1938 issued the following regulations:

"SECTION 536.2 "AREA OF PRODUCTION" AS USED IN SECTION  
13 (a) (10) OF THE FAIR LABOR STANDARDS ACT. An indivi-  
dual shall be regarded as employed in the "area of pro-  
duction" within the meaning of Section 13 (a) (10), in  
handling, packing, storing, ginning, compressing, pas-  
teurizing, drying, preparing in their raw or natural  
state, or canning of agricultural or horticultural  
commodities for market, or in making cheese or butter  
or other dairy products

(a) if he is engaged in such work on a farm and on  
agricultural or horticultural commodities produced ex-  
clusively on such farm, or

(b) if the agricultural or horticultural commodities  
are obtained by the establishment where he is employed  
from farms in the immediate locality and the number of  
employees in such establishment does not exceed seven.

SECTION 536.3 PETITION FOR AMENDMENT OF REGULATIONS.

Any interested persons or association wishing a revision of the foregoing regulations may make application to the Administrator in writing to amend Sections 536.1 and 536.2 by increasing or decreasing the maximum of employees permitted within the exemption as defined. If upon inspection of the petition the Administrator believes that reasonable cause for amendment of the regulations is set forth, the Administrator will either schedule a hearing with due notice to interested parties or will make other provision for affording interested parties an opportunity to present their view either in support of or in opposition to the proposed changes.

and

WHEREAS, on November 14, 1938 the Cigar Manufacturers Association of America, Inc., and on November 23, 1938 the Department of Agriculture and Commerce of Puerto Rico, the Puerto Rico Tobacco Marketing Association, and the Farmers' Association of Puerto Rico filed petitions with the Administrator to amend said Section 536.2 of said regulations by adding thereunto a new paragraph numbered (c) reading as follows:

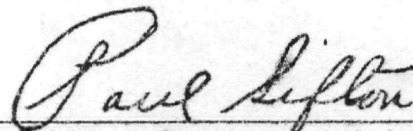
"With respect to establishments in which Puerto Rican cigar leaf tobacco is prepared for market, if the establishment where he is employed is located in the area in which Puerto Rican cigar leaf tobacco is grown";

or, alternatively, to provide that individuals employed in packing establishments located in the area in which Puerto Rican tobacco is grown and engaged in handling, receiving, bulking, sorting, stripping, grading and packing, or any other services in connection with preparing for market, cigar leaf tobacco grown on the Island of Puerto Rico are regarded as employed within the area of production within the meaning of Section 13 (a) (10) of the Fair Labor Standards Act of 1938.

NOW, THEREFORE, notice is hereby given of a public hearing to commence on December 9, 1938, at 10 o'clock a.m. in Room 3229, United States Department of Labor, Washington, D. C., before a presiding officer to be hereafter designated, at which interested parties will be heard on the following question:

What, if any, amendment should be made of Section 536.2 of the regulations issued under the Fair Labor Standards Act of 1938 in respect to employees employed in packing establishments located in the area in which Puerto Rican tobacco is grown and engaged in handling, receiving, bulking, sorting, stripping, grading and packing, or any other services in connection with preparing for market, cigar leaf tobacco grown on the Island of Puerto Rico. Said petition may be examined at Room 5321, United States Department of Labor, Washington, D.C.

Signed at Washington, D.C., this twenty-fifth day of November, 1938.



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Paul Sifton, Deputy Administrator  
Wage and Hour Division  
Department of Labor