

U. S. DEPARTMENT OF LABOR
Wage and Hour Division
Washington

AREA OF PRODUCTION REDEFINED FOR FRESH FRUIT AND
VEGETABLES

Administrator Elmer F. Andrews announced today a redefinition of the much-disputed "Area of Production" phrase of the Fair Labor Standards Act. The new definition exempts from the wage and hour provisions of the Act employees engaged in the canning, packing and storing of fresh fruits and vegetables who are employed in establishments situated in the open country or in towns of less than 2,500 and which draw all their products from within a radius of ten miles.

In issuing the Regulation, the Administrator said:

"I have given careful consideration to the record made at the hearing held before me on April 3 and 4 on the question of amending Section 536.2 of Regulations Part 536, defining the term 'area of production' as applied to fresh fruits and vegetables. I have also carefully reconsidered the legislative history of Section 13(a)(10) in order to ascertain the Congressional intent.

"There are approximately 325,000 employees engaged in the fresh fruits and vegetables industry. The employers generally have been demanding a definition of 'area of production' which will be so broad as to exempt practically all of the employees in the industry. Labor, on the other hand, urges a definition so narrow in scope as virtually to exempt no one.

"It is of primary importance to avoid discrimination between competitors engaged in similar operations and between the same classes of labor. The definition issued today will, in my opinion, produce a minimum of discrimination and economic dislocation.

"Upon the basis of the consideration which I have given both to the record made at the hearing before me and to the language and intent of Section 13(a)(10),

the only sound definition which the Act and the facts permit me to issue is one that requires a canning plant or packing house to draw its products from the immediate producing area and to be located in the open country or in a rural town of small population. Accordingly, the amendment to the regulations just issued exempts employees engaged in the canning, packing and storing of fresh fruits and vegetables who are employed in establishments situated in the open country or in towns of less than 2,500 and which draw all their products from within a radius of ten miles."

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