

For Immediate Release  
Monday, March 18, 1940

R-692

U. S. DEPARTMENT OF LABOR  
WAGE AND HOUR DIVISION  
Washington, D. C.

FLEMING ORDERS "AREA OF PRODUCTION" INVESTIGATION  
IN THE FIELD

Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, today ordered an immediate investigation in the areas themselves of complaints that the Fair Labor Standards Act has resulted in reducing the income of farmers producing in or near the "area of production."

Colonel Fleming has instructed several of his regional directors to begin this week conferences with interested groups to determine the extent of the alleged adverse effects of the present definition of "area of production" upon the farmers' selling price of certain agricultural commodities. The work of the regional directors will be supplemented by investigations by the Division's Washington staff.

Representatives of agricultural and industrial employers and employees will be invited to the conferences, the exact times and places of which are now being arranged.

"In my opinion," Colonel Fleming said, "Congress intended to protect the farmer from any direct adverse effect on his market by the Fair Labor Standards Act. It imposed on the Administrator the duty to define 'area of production' in such terms as would provide that wages and hours required by the Act should not be paid for by a direct reduction in the farmer's selling price.

(3727)

"Therefore, I am going to re-examine the whole question of 'area of production' to see if we cannot work out a flexible definition or definitions which will not affect farmers' selling prices. In doing so, I should like to emphasize, we want to be careful that every worker engaged in industrial operations who is now covered by the Act remains under the Act. In a re-examination of 'area of production' we are confining ourselves to the actual, measurable effect upon farm prices. It may well be that if we can make our definitions more elastic we can eliminate many of the criticisms of the Act, especially those which originate in agricultural areas, without reducing to any appreciable extent the number of persons receiving its benefits."