

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
Washington

PUBLIC HEARING ON WAGE-HOUR EXEMPTION FOR CANNERIES MAY 9

HEARINGS ON "AREA OF PRODUCTION" EXEMPTIONS FOR PACKING
CITRUS FRUITS AND PACKING OF OTHER FRUITS AND
VEGETABLES POSTPONED

Possible amendment to the definition exempting certain fruit and vegetable canning factories and drying establishments from the 30-cents-an-hour minimum wage will be the subject of a public hearing May 9, Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, announced today.

About 340,000 workers are employed in fruit and vegetable canning factories, some of which are exempt under the Administrator's present definition of "within the area of production." The hearing will be before Merle D. Vincent, Director of the Hearings Branch of the Division, beginning at 10:00 a.m., in the New Willard Hotel.

At the same time Colonel Fleming announced postponement from April 24 to May 1 of a similar hearing on packing (but not canning) of citrus fruits; and postponement from May 1 to May 6 of another similar hearing on packing (but not canning) of all other perishable or seasonal fresh fruits and vegetables.

The May 1 hearing on citrus fruits will be in Room 3229 of the Labor Department Building before Mr. Vincent. The May 6 hearing on packing of non-citrus fruits and vegetables will be in the New Willard Hotel before Harold Stein, Assistant Director of the Hearings Branch.

The May 9 hearing will be on the following question: "What if any amendment should be made of Section 536.2 of Regulations, Part 536, in respect to the definition of 'Area of Production' for the drying and canning of perishable or seasonal fresh fruits and vegetables."

Evidence will be received on all relevant factors, including:

(1) Percentage of plants, employees, and of industry pack now exempt from the Act.

- (2) Characteristics of the exempt plant as distinguished from the non-exempt plant, i. e., size, location, distance from within which commodities are obtained from farms, and hourly earnings of employees.
- (3) Competition between regions and between the exempt and non-exempt plants locally and on national markets.
- (4) Ratio of labor costs to total operating costs in both exempt and non-exempt plants.
- (5) Changes in costs as a result of the Fair Labor Standards Act and effect of changes in costs on (a) farmers' prices, (b) prices to consumers, (c) consumption of products, and (d) productivity of labor.
- (6) Availability of markets to farmers.
- (7) Number of workweeks of more than 44, 42, and 40 hours worked during the past three seasons by exempt and non-exempt plants.
- (8) Fluctuations in number of employees and volume of fruits and vegetables handled from week to week during the past three seasons.
- (9) Types of occupational skills required in, and available supply of labor for, both exempt and non-exempt plants.

The notice states, "The Administrator desires to determine whether any amendment to . . . Section 536.2, as it applies to the drying and canning of perishable or seasonal fresh fruits and vegetables, is necessary to carry out the intent of Congress."

The definition referred to in Section 536.2 reads:

"An individual shall be regarded as employed in the 'area of production' within the meaning of Section 13 (a)(10); in handling, packing, storing, ginning, compressing, pasteurizing, 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 performs those operations on materials all of which come from farms in the general vicinity of the establishment where he is employed and the number of employees engaged in those operations in that establishment does not exceed seven, or

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"(d) if he performs those operations on materials all of which come from farms in the immediate locality of the establishment where he is employed and the establishment is located in the open country or in a rural community. As used in this subsection (d), 'immediate locality' shall not include any distance of more than ten miles and 'open country' or 'rural community' shall not include any city or town of 2500 or greater population according to the 15th United States Census, 1930"