

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

ECONOMIC REPORT PREPARED ON CITRUS FRUIT PACKING INDUSTRY

Preparations are being completed by the Wage and Hour Division, U. S. Department of Labor, for three hearings on the packing and canning industries with a view of possible amendment of the definition of "area of production" for certain employees of these industries. The hearings open Wednesday in Washington.

The term "area of production" is used in the Fair Labor Standards Act to designate territory in which employees engaged in packing in their raw or natural state, or canning, of agricultural or horticultural commodities are exempt from the provisions of the Act.

A comprehensive 97-page economic report on the citrus fruit packing industry has been prepared by the Research and Statistics Branch of the Division in connection with the hearing for the industry to be held in Room 3229 of the Labor Department Building, May 1, beginning at 10:00 a.m. This first of the series of hearings will be before Merle D. Vincent, Director of the Hearings Branch.

Hearing on the packing of non-citrus fruits and vegetables will be in the New Willard Hotel in Washington, beginning at 10:00 a.m. on May 6. Hearing on certain fruit and vegetable canning factories and drying establishments will be held on May 9.

The economic report shows that 6.6 per cent of the employees of the citrus fruit packing industry received less than 25 cents an hour and 21.7 per cent received less than 30 cents an hour during an active week in the 1939 season.

The report has been mailed to parties who have evidenced an interest in the hearing. Copies will be available in Washington for those who attend the hearing. It includes a description of the citrus packing industry, which employs

approximately 50,000 workers at some time during the year; a description of the wage structure of the industry; description of the hours of work and length of the operating season; analysis of the effect of any possible increase in costs occasioned by the Fair Labor Standards Act on packers, farmers and consumers; and a summary of conditions in the citrus industry affecting farm returns.

Production of citrus fruits, most important of which are oranges, grapefruit and lemons is predominantly confined to California, Florida, and the lower Rio Grande Valley of Texas.

In California, 3.8 per cent of the employees received less than 30 cents an hour; in Florida, 33.1 per cent received less than 30 cents an hour; and in Texas, 86.7 received less than 30 cents an hour in 1939.

The Fair Labor Standards Act, Section 13(a)(10) provides an exemption from the wage and hour provisions of the Act for those employees who are engaged in preparing horticultural and agricultural commodities for market in their raw or natural state in establishments which are "within the area of production (as defined by the Administrator)." A complete hours exemption for 14 workweeks in each year for all employees similarly engaged, regardless of the location of the establishments in which they are employed, is contained in Section 7(c).

The report discusses the nature of the demand for citrus fruits, and indicates the complexities involved in endeavoring to determine the extent to which any increase in citrus packing cost might be absorbed by the packers, passed on to consumers or back to farmers.

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