

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

HOURS EXEMPTION EXTENDED TO "DIRECT-CONSUMPTION SUGAR"

An interpretation as to the extent of the statutory overtime exemption in the Fair Labor Standards Act for the processing of direct-consumption sugar was issued today by Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor.

The processing of so-called "direct-consumption sugar," according to the interpretation, is entitled to the exemption provided under Section 7(c) of the Act for the "processing of . . . sugar cane . . . into sugar (but not refined sugar)."

"Generally speaking," the interpretation states, "sugar cane mills process sugar cane into raw sugar, which is later sold to refiners who produce refined sugar. In some mills, however, the sugar cane processed by a continuous process into sugar is ready for consumption, although it is not precisely the same as refined sugar.

"It seems clear from the legislative history of Section 7(c) that in denying an exemption to the refining of sugar, Congress had in mind the year-round refineries that buy molasses, syrup, or raw sugar and convert them into refined sugar. It did not intend to exclude from the exemption those seasonal operations performed upon sugar cane and resulting in 'direct-consumption sugar', which are entirely like the operations by which so-called raw sugar is produced.

"However, at any time that a mill purchases raw sugar and refines such sugar along with making 'direct-consumption sugar' produced from cane, the exemption is not applicable."

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