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U. S. DEPARTMENT OF LABOR
Wage and Hour and Public Contracts Divisions
165 West 46th Street
New York 19, New York

CLEVELAND, June 19--The nature of the occupancy of the building in which building maintenance employees are employed is an important factor in determining whether they are covered by the minimum wage and overtime provisions of the Fair Labor Standards Act. This was pointed out here today by L. Metcalfe Walling, Administrator of the Wage and Hour and Public Contracts Divisions, U. S. Department of Labor, in an address before the annual convention of the National Association of Building Owners and Managers.

"Generally," Mr. Walling said, "the application to such employees of the law's provisions for a 40 cents an hour minimum wage and time and one-half for overtime beyond 40 hours a workweek will be interpreted as follows:

"1.--The law applies to maintenance employees of a building in which 20 percent or more of the total rentable area is occupied by tenants there engaged in the physical production of goods for commerce. 'Production' and 'goods,' it should be emphasized here, are defined very broadly by the Fair Labor Standards Act. Also, I wish to make clear that, for enforcement purposes, the Divisions do not include in computing the 20 percent, banking or other firms when production activities are limited to the preparation and transmission of documents, communications, or correspondence, although it is the Divisions' position that such activities involve production of goods for commerce as defined in the Act.

"2.--Similarly, the law applies to maintenance employees of an office building at least in a situation where the building is owned and operated by an interstate producer which occupies 20 percent or more of the total rentable area for offices in which it manages and controls its physical production carried on elsewhere.

"3.--The law does not apply to building maintenance employees employed by the independent operator of an office building in which 'no manufacturing is carried on' and which is 'exclusively devoted to housing all the usual miscellany of offices.'"

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