

EXEMPTIONS UNDER AMENDED ACT

A minimum wage and overtime pay exemption for employees of retail or service establishments applies where the establishment is not in a covered enterprise. It also applies to such establishments in a covered enterprise which have an annual gross volume of sales of less than \$250,000. This exemption does not apply to laundries, dry cleaners, hospitals, nursing homes or schools, or to any establishment which does not make the greater part of its annual dollar volume from sales within the State where located. Employees of motion picture establishments continue to be exempt.

The minimum wage and overtime exemption for retail automobile and farm implements sales establishments has been eliminated. An overtime exemption has been added for salesmen, partsmen, and mechanics primarily engaged in selling or servicing automobiles, trucks, trailers, farm implements or aircraft, if employed by a non-manufacturing establishment primarily engaged in selling these vehicles to ultimate purchasers.

There are overtime exemptions for employees of hotels, motels, and restaurants, and for food service employees of retail or service establishments. Employees of gasoline service station enterprises with a \$250,000 annual gross volume of sales or business done are no longer exempt from overtime.

Covered farm workers are exempt from the overtime requirements. Certain exemptions for agricultural processing have been eliminated or revised. For example, the minimum wage and overtime exemption for employees engaged in handling or processing certain agricultural products in the "area of production" has been repealed and other agricultural exemptions have been narrowed or changed to overtime exemptions only.

The Act contains other minimum wage and full or partial overtime exemptions. For information about these exemptions or other provisions of the law, contact the nearest office of the Wage and Hour and Public Contracts Divisions.

EQUAL PAY

The equal pay provision prohibits wage discrimination on the basis of sex within an establishment: when subject to the minimum wage, employees of one sex must not be paid wages at rates lower than those paid employees of the other sex for equal work on jobs requiring equal skill, effort, and responsibility which are performed under similar working conditions.

CHILD LABOR RESTRICTED

Sixteen years is the minimum age for most employment covered by the Act. This includes employment in agriculture during school hours or in farm occupations declared hazardous by the Secretary of Labor. Eighteen years is the minimum age for employment in non-agricultural occupations declared hazardous. Fourteen years is the minimum age for employment outside school hours in a variety of non-manufacturing and non-mining occupations for a limited number of hours under specified conditions.

RECORDS

Employers are required to keep records on wages, hours, and other items in accord with regulations issued by the Secretary of Labor.

ENFORCEMENT

Failure to pay the statutory minimum wage and overtime compensation results in cumulative back wage liabilities. Unpaid wages may be restored under the supervision of the Secretary of Labor or recovered through court action brought by the Secretary or the employees. Serious violations of the law may result in civil or crim-

Highlights of FAIR LABOR STANDARDS A as Amended - 1 (effective Feb. 1, 196



*These Highlights are for general info
and are not to be considered in the same
as official statements of position contain
Interpretative Bulletins and other such re
formally adopted by the Divisions and pub
in the Federal Register.*

UNITED STATES DEPARTMENT OF
W. Willard Wirtz, Secretary

WAGE AND HOUR AND PUBLIC CONTRACTS I
Clarence T. Lundquist, Administrator

HIGHLIGHTS OF THE FAIR LABOR STANDARDS ACT, AS AMENDED IN 1966

The Fair Labor Standards Act, as amended, provides different minimum wage and overtime standards for employment subject to the law prior to February 1, 1967 and employment brought under the law as of that date.

Provisions applicable to employment covered prior to February 1, 1967

AT LEAST

\$1.40 an hour, beginning February 1, 1967
\$1.60 an hour, beginning February 1, 1968

MINIMUM WAGE

Provisions applicable on and after February 1, 1967
employment of employees brought under the Act
by the 1966 amendments

AT LEAST

\$1.00 an hour, beginning February 1, 1967
\$1.15 an hour, beginning February 1, 1968
\$1.30 an hour, beginning February 1, 1969
\$1.45 an hour, beginning February 1, 1970
\$1.60 an hour, beginning February 1, 1971

Not less than 1½ times the employee's regular rate of pay for hours worked beyond 40 in a workweek.

OVERTIME PAY

Not less than 1½ times the employee's regular rate of pay is r
After 44 hours in a workweek, beginning February 1, 1967
After 42 hours in a workweek, beginning February 1, 1968
After 40 hours in a workweek, beginning February 1, 1969

COVERAGE

The above rates must be paid, *except where a specific exemption is provided*, to all employees engaged in interstate or foreign commerce or in the production of any goods for such commerce, including occupations and processes closely related and directly essential to such production; and to all other employees employed in any of the following enterprises which has employees engaged in commerce or in the production of goods for commerce, including work relating to goods that have been moved in or produced for commerce:

(1) Retail or service enterprises having an annual gross volume of sales of at least \$1 million and \$250,000 annual inflow of interstate goods;

(2) Local transit enterprises having an annual gross volume of sales of at least \$1 million¹;

(3) Construction enterprises doing a gross annual business of at least \$350,000;

(4) Gasoline service stations having an annual gross volume of sales of at least \$250,000¹;

(5) Other establishments having individually covered employees, in other enterprises having an annual gross volume of at least \$1 million.

The rates shown in the above schedules must be paid, *except specific exemption is provided*, to all employees whose employment comes under the Act as amended in 1966 and whose minimum overtime pay is not subject to the standards therefor shown at because of absence of prior coverage. Such employees included brought under the minimum wage or overtime pay provisions by amendments either through elimination or narrowing of prior exemptions from such provisions or as a result of the extension of coverage enterprise basis to the employees employed in the following enterprises having employees engaged in commerce or in the production of goods for commerce, including work relating to goods that have been in or produced for commerce:

* (1) Laundry and dry cleaning enterprises;

* (2) Construction enterprises;

* (3) Hospitals, nursing homes, and most schools (both public and private, but excluding Federal Government hospitals);

(4) Other enterprises, if the annual gross volume of sales is at least \$500,000 (\$250,000 on and after February 1, 1967). Hotel, motel, and restaurant enterprises are among the new enterprises covered by this provision.

¹ No annual dollar volume test applies.

¹ Exclusive of any excise taxes at the retail level which are separately

FARM LABOR COVERAGE

With certain specific exceptions, the 1966 amendments do not cover farm labor.