

Wage and Hour Division, Labor

§ 783.20

laws of the United States.’’ This definition and its effect with respect to the application of the Act to employment of individuals as seamen are discussed in subsequent sections of this part.

APPLICATION IN GENERAL OF THE ACT’S PROVISIONS

§ 783.18 Commerce activities of employees.

Prior to the 1961 Amendments, the Fair Labor Standards Act applied to all employees, not specifically exempted, who are engaged (a) in interstate or foreign commerce or (b) in the production of goods for such commerce, which is defined to include any closely related process or occupation directly, essential to such production (29 U.S.C. 206(a), 207(a); and see §§ 783.12 to 783.15 for definitions governing the scope of this coverage). The Act as amended in 1961 continues this coverage. In general, employees of businesses concerned with the transportation of goods or persons on navigable waters are engaged in interstate or foreign commerce, or in the production of goods for such commerce, as defined in the Act, and are subject to the Act’s provisions except as otherwise provided in sections 13(a)(14) and 13(b)(6) or other express exemptions. A detailed discussion of the activities in commerce or in the production of goods for commerce which will bring an employee under the Act is contained in part 776 of this chapter, dealing with general coverage.

§ 783.19 Commerce activities of enterprises in which employee is employed.

Under amendments to the Fair Labor Standards Act effective September 3, 1961, employees not covered by reason of their personal engagement in interstate commerce activities, as explained in § 783.18, are nevertheless brought within the coverage of the Act if they are employed in an enterprise which is defined in section 3(s) of the Act as an enterprise engaged in commerce or in the production of goods for commerce, or by an establishment described in section 3(s)(3) of the Act (see § 783.11). Such employees, if not exempt from the minimum wage and overtime pay requirements under section 13(a)(14) or

exempt from the overtime pay requirements under section 13(b)(6), will have to be paid in accordance with those monetary standards of the Act unless expressly exempt under some other provision. This would generally be true of employees employed in enterprises and by establishments engaged in a business concerned with transportation of goods or persons by vessels, where the enterprise has an annual gross sales volume of \$1,000,000 or more. Enterprise coverage is more fully discussed in part 776 of this chapter, dealing with general coverage.

§ 783.20 Exemptions from the Act’s provisions.

The Act provides a number of specific exemptions from the general requirements previously described. Some are exemptions from the overtime provisions only. Others are from the child labor provisions only. Several are exemptions from both the minimum wage and the overtime requirements of the Act. Finally, there are some exemptions from all three—minimum wage, overtime pay, and child labor requirements. An examination of the terminology in which the exemptions from the general coverage of the Fair Labor Standards Act are stated discloses language patterns which reflect congressional intent. Thus, Congress specified in varying degree the criteria for application of each of the exemptions and in a number of instances differentiated as to whether employees are to be exempt because they are employed by a particular kind of employer, employed in a particular type of establishment, employed in a particular industry, employed in a particular capacity or occupation, or engaged in a specified operation. (See 29 U.S.C. 203(d); 207 (b), (c), (h); 213 (a), (b), (c), (d). And see *Addison v. Holly Hill*, 322 U.S. 607; *Walling v. Haden*, 153 F. 2d 196, certiorari denied 328 U.S. 866; *Mitchell v. Stinson*, 217 F. 2d 210.) In general, there are no exemptions from the child labor requirements that apply in enterprises or establishments engaged in transportation or shipping (see part 570, subpart G of this chapter). Such enterprises or establishments will, however, be concerned with the exemption from overtime pay in