

§ 783.21

section 13(b)(6) of the Act for employees employed as seamen and the exemption from the minimum wage and overtime pay requirements provided by section 13(a)(14) for employees so employed on vessels other than American vessels. These exemptions, which are subject to the general rules stated in § 783.21, are discussed at length in this part.

§ 783.21 Guiding principles for applying coverage and exemption provisions.

It is clear that Congress intended the Fair Labor Standards Act to be broad in its scope (*Helena Glendale Ferry Co. v. Walling*, 132 F. 2d 616). “Breadth of coverage is vital to its mission” (*Powell v. U.S. Cartridge Co.*, 339 U.S. 497). An employer who claims an exemption under the Act has the burden of showing that it applies (*Walling v. General Industries Co.*, 330 U.S. 545; *Mitchell v. Kentucky Finance Co.*, 359 U.S. 290; *Tobin v. Blue Channel Corp.* 198 F. 2d 245, approved in *Mitchell v. Myrtle Grove Packing Co.*, 350 U.S. 891; *Fleming v. Hawkeye Pearl Button Co.*, 113 F. 2d 52). Conditions specified in the language of the Act are “explicit prerequisites to exemption” (*Arnold v. Kanowsky*, 361 U.S. 388; and see *Walling v. Haden*, 153 F. 2d 196). In their application, the purpose of the exemption as shown in its legislative history as well as its language should be given effect. However, “the details with which the exemptions in this Act have been made preclude their enlargement by implication” and “no matter how broad the exemption, it is meant to apply only to” the specified activities (*Addison v. Holly Hill*, 322 U.S. 607; *Maneja v. Waialua*, 349 U.S. 254). Exemptions provided in the Act “are to be narrowly construed against the employer seeking to assert them” and their application limited to those who come “plainly and unmistakably within their terms and spirits.” This construction of the exemptions is necessary to carry out the broad objectives for which the Act was passed (*Phillips v. Walling*, 324 U.S. 490; *Mitchell v. Kentucky Finance Co.*, supra; *Arnold v. Kanowsky*, supra; *Helena Glendale Ferry Co. v. Walling*, supra; *Mitchell v. Stinson*, 217 F. 2d 210; *Flemming v. Hawkeye Pearl Button Co.*, 113 F. 2d 52;

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Walling v. Bay State Dredging & Contracting Co., 149 F. 2d 346, certiorari denied 326 U.S. 760; *Anderson v. Manhattan Lighterage Corp.*, 148 F. 2d 971, certiorari denied 326 U.S. 722; *Sternberg Dredging Co. v. Walling*, 158 F. 2d 678).

§ 783.22 Pay standards for employees subject to “old” coverage of the Act.

The 1961 amendments did not change the tests described in § 783.18 by which coverage based on the employee’s individual activities is determined. Any employee whose employment satisfies these tests and would not have come within some exemption (such as section 13(a)(14) in the Act prior to the 1961 amendments is subject to the “old” provisions of the law and entitled to a minimum wage of at least \$1.15 an hour beginning September 3, 1961, and not less than \$1.25 an hour beginning September 3, 1963 (29 U.S.C. 206(a)(1)), unless expressly exempted by some provision of the amended Act. Such an employee is also entitled to overtime pay for hours worked in excess of 40 in any workweek at a rate not less than one and one-half times his regular rate of pay (29 U.S.C. 207(a)(1)), unless expressly exempt from overtime by some exemption such as section 13(b)(6). (Minimum wage rates in Puerto Rico, the Virgin Islands, and American Samoa are governed by special provisions of the Act (26 U.S.C. 206(a)(3); 206(c)(2).) Information on these rates is available at any office of the Wage and Hour Division.

§ 783.23 Pay standards for “newly covered” employees.

There are some employees whose individual activities would not bring them within the minimum wage or overtime pay provisions of the Act as it was prior to the 1961 amendments, but who are brought within minimum wage or overtime coverage or both for the first time by the new “enterprise” coverage provisions or changes in exemptions, or both, which were enacted as part of the amendments and made effective September 3, 1961. Typical of such employees are those who, regardless of any engagement in commerce or in the production of goods for commerce, are employed as seamen and would therefore have been exempt from