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AMENDMENT TO EXEMPT EMPLOYEES OF BOAT SALES ESTABLISHMENTS

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HEARING

BEFORE THE

GENERAL SUBCOMMITTEE ON LABOR

OF THE

COMMITTEE ON EDUCATION AND LABOR

HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

FIRST SESSION

ON

H.R. 13192

A BILL TO AMEND THE FAIR LABOR STANDARDS ACT OF
1938 TO EXEMPT CERTAIN EMPLOYEES OF BOAT SALES
ESTABLISHMENTS FROM THE OVERTIME COMPENSATION
REQUIREMENTS OF THAT ACT

HEARING HELD IN WASHINGTON, D.C., OCTOBER 26, 1967

Printed for the use of the Committee on Education and Labor

CARL D. PERKINS, *Chairman*



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AMENDMENT TO EXEMPT EMPLOYEES OF BOAT SALES ESTABLISHMENTS

THURSDAY, OCTOBER 26, 1967

HOUSE OF REPRESENTATIVES,
GENERAL SUBCOMMITTEE ON LABOR OF THE
COMMITTEE ON EDUCATION AND LABOR,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to call, in room 2257, Rayburn House Office Building, Hon. John H. Dent (chairman of the subcommittee) presiding.

Present: Representatives Dent, Daniels, Mink, and Scherle.
(Text of H.R. 13192 follows:)

[H.R. 13192, 90th Cong., first sess.]

A BILL To amend the Fair Labor Standards Act of 1938 to exempt certain employees of boat sales establishments from the overtime compensation requirements of that Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13(b)(10) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(b)(10)) is amended by inserting "boats," immediately after "farm implements,".

Mr. DENT. We are meeting today to look into the possibility of enactment of H.R. 13192. This is a bill to amend the Fair Labor Standards Act of 1938 to exempt certain employees of boat sales establishments from the overtime compensation requirements of the act.

It would amend section 13(b)(10) of the act and thereby exempt from overtime provisions salesmen, partsmen, and mechanics. This is in accord with the agreements made prior to the passage of the present act, because we found that it was an extreme hardship to try to tie down overtime hours and salesmen and found at the same time emergency sea servicing brought into play the same problems for the partsmen and mechanics.

However, it is late in the session and we felt if we could have a short hearing this morning, we would at least get the thoughts and arguments of the industry.

At this time I would like to call the first witness, Mr. Fred Lifton, executive director of the Boating Industry Association. I am happy to say we have in attendance the representatives of the Department of Labor, who are responsible for the administration of this act. I welcome them here because before anything is done, we will have to have long and detailed discussions to see to what limits we may or may not be able to go.

(1)

STATEMENT OF FRED B. LIFTON, EXECUTIVE DIRECTOR, BOATING INDUSTRY ASSOCIATION, ACCOMPANIED BY WILLIAM PEARSON, PRESIDENT; AND THOMAS H. BOGGS, JR., COUNSEL

Mr. LIFTON. Mr. Chairman and members of the subcommittee, I am Fred B. Lifton, executive director of the Boating Industry Association, 333 North Michigan Avenue, Chicago, Ill. I am accompanied here this morning by Mr. William Pearson, the immediate past president of the Boating Industry Association, and Mr. Thomas H. Boggs, Jr., the attorney for the Boating Industry Association.

The Boating Industry Association (hereinafter referred to as "BIA") is a nonprofit national trade association representing 350 manufacturers of all kinds of pleasure boating equipment and providing many services of an educational and informative nature to the entire industry and to the boating public. In addition, BIA has regular programs of serving marine dealers and distributors. We also work directly with boat owners through our two consumer divisions, the Outboard Boating Club of America (OBC), serving members of affiliated boating clubs, and the Boat Owners Council of America (BOCA), serving individual boatowners.

We sincerely welcome this opportunity to testify on H.R. 13192, a bill to amend the Fair Labor Standards Act to exempt certain employees of boat sales establishments from the overtime compensation requirements of the act.

Sections 6 and 7 of the Fair Labor Standards Act provide for minimum wages and maximum working hours for employees of businesses to which the act applies. Certain businesses, however, are specifically exempted from these sections by section 13 of the act. The reason for the exemptions is that while minimum wage and maximum working hour standards are generally desirable, in some instances these requirements would be self-defeating because of the economic burden they would impose on the employers.

The employer in some types of businesses would have to alter his employment policies and business methods quite drastically to survive at all under the act. The necessary economic result would be curtailed employment and reduced earning power of employees. Congress was well aware of these economic facts and so stated in part I of Public Law 49 of the 80th Congress, which is the policy statement preface to relieving amendments to the Fair Labor Standards Act of 1938.

Changed economic conditions in 1966 again warranted further amendment to the Fair Labor Standards Act. Many of the amendments involved exemption of certain types of businesses from the application of the act where such application would be unjustifiably burdensome and self-defeating. These exclusory amendments are contained in section 13 of the act.

Pertinent to the bill presently under consideration, H.R. 13192, is the legislative intent embodied in section 13(a)(3) exempting amusement or recreational establishments from sections 6 and 7 of the act under certain conditions. It was the intent of the amendment that these types of businesses would be exempted from the act if (a) they did not operate for more than 7 months in any calendar year, or (b) during the preceding calendar year their average receipts for any 6 months of such year were not more than one-third of the average receipts for the other 6 months of the year.

In short, it was the intent of Congress to exempt very seasonal recreational businesses from sections 6 and 7 of the act when section 13(a)(3) was enacted in 1966. Although conceivably, some marine dealers could qualify under this exemption, which covers them in intent if not in fact, few do qualify by its explicit terms.

Even more pertinent to the bill presently under consideration, and again illustrative of legislative intent, is section 13(b)(10) which exempts from section 7 (maximum hours):

Any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trailers, trucks, farm implements, or aircraft, if employed by a non-manufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers * * *

The reason for exempting these vehicle dealers from the maximum hour provisions (overtime) of the act is the very seasonal nature of the business. For example, the Chicago Automobile Dealers Association states that 60 percent of sales are in the spring of the year and 25 percent are in the fall with the remaining 15 percent spread over the winter and summer seasons. This means that a great amount of overtime would be paid during the peak season—supplementing sales commissions—and creating a substantial burden on the dealer.

The dealer would be inclined, indeed forced, to put his salesmen on straight commission during peak periods, or alternately, to employ only part-time salesmen. From the employee's standpoint this would impair both his assured minimum earnings and maximum working hours.

Congress recognized that the application of section 7 to vehicle dealers would impose a burden on them, requiring economic adjustments that would be self-defeating insofar as the employees were concerned and passed the amendment that is section 13(b)(10).

It is our opinion through technical oversight, marine dealers were excluded from the exemptions of section 13(b)(10) in 1966. We were hopeful that the Department of Labor might administratively provide an exemption for marine dealers as a result of their similarity to the vehicle dealers excluded by section 13(b)(10). However, the Secretary of Labor, when asked for an informal opinion on this matter, responded that marine dealers could not be included under present law. We submit that the economic situation of marine dealers is exactly similar to that of the vehicle dealers exempted by section 13(b)(10) and that marine dealers should be included in this exemption as now proposed by H.R. 13192.

The marine dealers' business is as seasonal as the automotive dealers' with 75 percent of all sales during the 6-month period of March through August. (Source: BIA Market Research Department.) An immense amount of overtime wages would be paid during the summer boating season under section 7, particularly since most marine dealers are open 7 days a week during the summer. If the dealer runs a marine or mooring area, 12-hour days are not uncommon on weekends because that's when boaters go boating. Under these circumstances it would not be uncommon for overtime wages during the summer to exceed straight time wages if section 7 were to apply. The marine dealer would be forced, like the automotive dealer, to restructure his employment policies to the detriment of the employees.

As the Fair Labor Standards Act is presently enacted, many marine dealers are now within its scope inasmuch as their gross sales exceed

\$500,000. When the \$250,000 minimum becomes effective in February 1969, many more will be covered. There are 35,000 marine dealers in the United States.

In 1965 a survey of a segment of these dealers—those operating marinas and boatyards—indicated that the average gross sales volume for the 5,000 such establishments was \$245,000 for that year. The owner's net profit was \$8,100. (Source: "The Boating Business—1966" published by Boating Industry magazine.) Needless to say, most of these businesses will be well over \$250,000 gross sales by February 1, 1969, and subject to section 7 of the Fair Labor Standards Act.

The average marina and boatyard employs eight fulltime people according to the above-noted study with a few extra people employed on a part-time basis during the summer. Usually the owner is one of the persons working full time and not infrequently his wife or other family members will also work in the business. In summary, we are talking about a small individual proprietorship when we talk about marine dealers. For the most part, they are more economically fragile than the vehicle dealerships exempted currently by section 13(b)(10).

To summarize, we feel that it is the clear intent of Congress to exempt seasonal recreational businesses and vehicle dealers, whose business is also very seasonal, from certain wage and hour provisions of the Fair Labor Standards Act. The reason for these exemptions is the economic burden which would be imposed on the employer and employee alike, defeating the purpose of sections 6 and 7 through the necessities of economic survival.

We feel that marine dealers come well within the congressional intent and the economic circumstances justifying these exemptions for other very similar business. We therefore respectfully ask that marine dealers be specifically added to section 13(b)(10) exempting them from the maximum hour provisions of section 7 of the Fair Labor Standards Act. We urge passage of the necessary relief contained in H.R. 13192.

Thank you very much, Mr. Chairman.

Mr. DENT. Thank you, Mr. Lifton. Do any of the other gentlemen want to make a statement before we ask questions?

Mr. LIFTON. I think not, sir.

Mr. DENT. Very frankly, when this situation was called to my attention, I agreed to introduce a piece of legislation in order that we might be able to have a hearing or two, to decide what to do about it, to see what the magnitude of the problem was and whether or not it was of sufficient importance for the legislation to be presented to the House for action.

I don't hesitate to say that I am sure that the cooperation of the Labor Department would have been favorable and given at the time the bill was being written if we had had some position at that time taken by the boating industry. It was not an oversight on our part, because we were not aware of the problem.

I am very much surprised to learn today that there are as many as 35,000 dealers in the United States. I don't know what its gross business is in the country. Does anyone have any idea as to the volume of the total business entailed in the retail sales and manufacture of boats in the United States?

Mr. LIFTON. We estimate in all aspects of the pleasure boating industry, sales of boats, motors, accessories, everything going into

boating, the total industry now approaches a volume of \$3 billion a year.

Mr. DENT. Can you give us any kind of an estimate as to what the figure was, say, 5 years ago, 20 years ago, to see what the trend is?

Mr. LIFTON. The trend has been markedly upward since World War II, starting from scratch at that point. It underwent an economic reversal in 1962 and 1963, but since then has undergone a pattern of growth and is expanding at the rate of 5 to 8 percent a year.

I would estimate it has increased 50 percent in total volume in the last 10 years.

Mr. DENT. How many employees would you say this legislation would affect?

Mr. LIFTON. We believe when the act applies to business having a gross volume of business upwards of \$250,000 in 1969, it will affect from 100,000 to 525,000 employees all told.

Mr. DENT. This bill would not go down to the level of the employees around the marinas, for instance, but would only, as it is now written, I am sure, be strictly interpreted to mean only those who are salesmen, partsmen and mechanics, the same as the automobile industry and the farm implement industries are so exempt.

I am sure that would not cover that many salesmen in the field, at least I would not expect it to.

Mr. LIFTON. I think almost everyone employed in these enterprises on the weekend would fall into the category of salesmen and mechanics. There is a great overlap of these employees; there is not great diversification as very often a man will be part-time salesman, part-time mechanic and serve a variety of functions.

There are not too many activities I think that would fall outside these definitions.

Mr. DENT. We have men with us who know more about the administration of this act than anybody throughout the country, and I would like to suggest to them that they try to get for us as much information as possible along the lines of the questioning now taking place as to how many persons would be involved, whether there is some other solution to the problem and whether or not an interpretation of the act might be made to include under "Vehicles" the boating industry without an enactment of a new piece of legislation. You know, only fools walk in where angels fear to tread.

I am not sure at this time I can go to the House and ask for an opening up of the minimum wage law. You can see our position.

Mr. LIFTON. That is not our desire at all. If anything, it was an oversight on our part in not acting when the amendment was written in 1966, but I think it is fairly apparent, almost by inspection, that marine dealers are extremely seasonal dealers in comparison to other vehicle dealers. It is hard to find any other business more seasonable.

Mr. DENT. I wonder whether the amphibious cars are covered by the vehicle law.

Mr. LIFTON. There are not too many of those, but I would think they are.

Mr. DENT. Someone would have to determine whether they were a boat or a car, maybe they would be half exempt.

Mr. LIFTON. I think under various State laws covering equipment requirements, they have to comply with boat laws. They have to

have an automobile license and boat license and must have fire extinguishers and other equipment required by boat laws.

Mr. DENT. It is not your intention that the boat bill apply to the manufacturers, but only the accessories?

Mr. LIFTON. Only at the retail level.

Mr. DANIELS. I note on page 3 you took this matter up with the Secretary of Labor, of whom you asked an informal opinion on this matter and the response was, marine dealers could not be included under the present law. What was the reason on which that informal opinion was given?

Mr. LIFTON. I will defer to Mr. Boggs.

Mr. BOGGS. We have a letter which I will supply for the record.

Mr. DENT. The clerk has just handed me a letter from the Secretary. Probably in order to bring this to the proper focus of your question and the answer, it might be good to read it.

This is a letter to the chairman.

DEAR MR. CHAIRMAN: This is in reply to your letter of October 16 requesting my views on H.R. 13192, providing an overtime exemption under the Fair Labor Standards Act for employees of establishments selling boats.

The Department has consistently opposed the contention that employees of a shipyard repairing and servicing boats are employees of a retail or service establishment within the meaning of section 13(a)(2) of the act, and thus exempt from the minimum wage and overtime provisions of the act. In fact, litigation is now pending in the United States Court of Appeals for the Fifth Circuit involving this issue. (*Wirtz v. Broward Marine, Inc.*, C.A. 5) The Department is equally opposed to an amendment to the act providing an overtime exemption for these employees and, therefore, cannot support the enactment of H.R. 13192.

The Bureau of the Budget advises that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

W. WILLARD WIRTZ,
Secretary of Labor.

While this letter is probably a true statement in regard to 13(a)(2), dealing with whether or not they would qualify as a retail or service establishment under the meaning of this section, the question still comes back, and probably so, as to what is the reason given by the Secretary on the exemption for salesmen, mechanics and parts people which is not that section, but section (b)(10).

Mr. BOGGS. In response to that question the Labor Department stated that the amendment was placed in the law by Congress, that it was not originally sponsored by the Department of Labor and that since boat dealers were not specifically mentioned in that section, the Department did not feel it could include them in that section.

Mr. DENT. Well, let's read section 10 for the information of the committee.

The exemption says:

Any salesman, partsman, or mechanic primarily engaged in selling or servicing automobiles, trailers, trucks, farm implements, or aircraft, if employed by a nonmanufacturing establishment primarily engaged in the business of selling such vehicles to ultimate purchasers * * *

Mr. DANIELS. If it would apply to aircraft, there is no reason it shouldn't apply to boats.

Mr. DENT. It involves a lot more people.

Mr. LIFTON. The typical dealership is on the borderline of the 250,000 level of the Fair Labor Standards Act. The level of profit is a limited one and it is only, in many instances, when the owner and

members of his family work long hours that dealers are able to turn a profit. These are small enterprises and one of the serious problems of the industry is because of the seasonality and because many of these retailers are of such limited size and activity that it makes it difficult to move the product.

Mr. DENT. Mr. Pearson, your outfit is well known to this member of the panel over the years. I remember when your MFG was the first glass boat I had ever seen and it was kind of a shaky little thing. How many of your dealers are family-type operations?

Mr. PEARSON. I would say 70 percent.

Mr. DENT. They are family-type operations?

Mr. PEARSON. Yes, sir.

Mr. DENT. What happens in a joint enterprise where the automobile dealer is also a boat dealer? What happens there? The salesman sells automobiles and boats, what happens then?

Mr. PEARSON. There are some of those.

Mr. DENT. That is the only kind operating out our way.

Would the Department have any answer to that? What do you do in the case where it is a joint venture where they sell automobiles and boats?

STATEMENT OF CLARENCE T. LUNDQUIST, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISION, DEPARTMENT OF LABOR

Mr. LUNDQUIST. We would examine the facts in the situation with respect to whether or not the individual is, in fact, an outside salesman. You can be an outside salesman selling boats. You can be an outside salesman selling automobiles.

As you know, an outside salesman is exempt from the minimum wage and overtime provisions under section 13(a)(1).

Mr. DENT. You can be?

Mr. LUNDQUIST. Yes.

Mr. DENT. In other words, there would be no conflict in your exemption if a man were selling boats and automobiles and came under the description of "outside salesman"?

Mr. LUNDQUIST. That is correct.

Mr. LIFTON. Many marine dealers sell boat trailers. Of course, trailers are already mentioned in the act but this is an integral part of the industries.

Mrs. MINK. What is the criteria for determining an outside salesman?

Mr. LUNDQUIST. Those are in the statute. In 13(a)(1) and in part 541 of the regulations. Basically there are two: he must be a salesman and he must be working outside.

There are regulations establishing standards which we believe are reasonable and have stood the test of time.

Mr. DANIELS. In view of the fact aircraft industry salesmen are exempt under provision (b) and the mechanics, therefore, why can't the salesmen of the boat industry likewise be exempt? It is a small group.

Mr. LUNDQUIST. I think I would have to say the will of Congress would determine that.

Mr. DENT. I think the committee might very properly sit down with the director, and the administrator for the Fair Labor Standards

Act in the Department of Labor and go over the whole situation and see whether or not there is leeway in the very loosely drawn standards of qualifications, in my humble opinion, because if it can be done by executive administrative interpretation, I believe the industry has a reasonable cause for action in this area.

If it can be done by administrative interpretation of the act, it would certainly be more appropriate at this time than trying to force action on a bill that would open the act at this time.

Mr. DANIELS. You have heard the testimony of the witnesses here this morning. Does the Department desire to testify in opposition to this testimony?

Mr. LUNDQUIST. Subject to the views of the Solicitor of Labor of the Department of Labor who is also here, I have no desire to testify.

Mr. DANIELS. Is there anything that has been said here that you desire to refute? Would you call the presentation made by the witnesses a fair one with respect to the trade about which they are testifying?

Mr. LUNDQUIST. I believe so. I think there may be some confusion as to what they perceive as retail and service. We have indicated in our letter to the chairman, we made it clear we are contesting certain things in an action now which would attack the concept that a marina, or certain boat-selling activities are retailing services and subject to the retail service exemption.

Mr. DENT. I took that into consideration. The other legislation only calls for determination under 13(b)(10), leaving aside 13(a)(2). I think we should confine ourselves to the given restriction in the bill now for like employment in the same type of industry in our act as we now have it.

The question, in my opinion, is the one dealing only with mechanics, salesmen and partsmen, not whether we are going to make a determination of whether they are a service industry.

I think we have to deal more in the specific exemption they are asking for. I think that can be done in consultation with the Department as to what length we may go to, whether there is a specific exemption by the law or leeway in the act itself for consideration to be given in this area of activity.

Mrs. MINK. This particular bill that we have before the committee addresses itself only to the overtime provisions.

Mr. DENT. That's right; it has nothing to do with the wage.

Mr. LIFTON. We are not seeking any amendment or relief as far as section 6 of the minimum wage bill.

Mrs. MINK. There is no problem there.

Mr. LIFTON. It may be a burden on an individual retail dealer, but we are not asking a change in this area.

Mrs. MINK. With reference to the outside salesmen, are there provisions which affect their industry with respect to overtime, the definition of your outside salesman?

Mr. LUNDQUIST. Yes, but the point I was making is that they probably have outside salesmen now in their industry already exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act.

Mrs. MINK. What percentage of your salesmen are now considered outside salesmen and not covered by overtime provisions already?

Mr. LIFTON. We have no precise figures.

Mrs. MINK. Has your industry made any effort to seek a determination on the part of the Department of Labor with reference to your salesmen at least to qualify them under that definition and secure for them under that type of ruling an exemption from overtime?

Mr. LIFTON. I think most of the salesmen involved are the antithesis of an ordinary salesman; they are on the job most of the time.

Mr. PEARSON. I would like to suggest that by far the large majority of the marine operations—I am talking about the recreation of the boating industry—these operations are not big enough to have categorized employees. I would further suggest the seasonal nature of the business as it has been related to other businesses is based on sales, but the seasonal nature is even more drastic in this respect.

Sales can be made over a long period, but in actual practice whether employees are put to use, a mechanic, for example, on a Saturday and Sunday, depends on whether it is July or November. He is extremely busy in July but there is not much for him to do in November. I don't care how capable he is. The people are not using their boats; they don't need repair.

A so-called salesman in a small operation on a lake boat might be out there pumping gas on a Sunday and if it is a bright Sunday where people are boating, they are in there from sunup to sundown. The next Sunday it may be raining and cold, so his activities are entirely different.

Mr. DENT. It is a peculiar business.

Mrs. MINK. Could I ask the Department if they have any figures relative to this industry and the number they estimate would qualify as outside salesmen and have an exemption already on overtime?

Mr. LUNDQUIST. We made a rough estimate and I am surprised to find we are at great variance with their figure. We indicated about 3,000 employees would be exempted from the overtime provisions under section 13(b)(10), if H.R. 13192 is enacted.

Mrs. MINK. You estimate 3,000 employees are exempt?

Mr. LUNDQUIST. Under a 13(b)(10) exemption, yes.

Mrs. MINK. Out of a total of what?

Mr. LUNDQUIST. This would depend on what a boat is, when it is or isn't a boat, what these activities are, and whether partsmen, mechanics, salesmen, are working for a nonmanufacturing installation which, in our judgment, in many instances might not be a retail or services establishment, as we are contending in a court case now.

Mrs. MINK. I have one further question, Mr. Chairman, relating to section 13(a)(3), which represents recreational establishments under the theory these are seasonal in character and both 6 and 7 should not apply.

In his statement submitted to this committee the gentleman indicated the fact that dealers would probably not qualify under this exemption, or if they do, only a few would.

I would like your comment with reference to that.

Mr. LUNDQUIST. We would say that the exemption in 13(a)(3), the amusement and recreational establishment exemption, would not be available to them.

Mrs. MINK. What is the rationale?

Mr. LUNDQUIST. The establishment concept here is one that is not related to a selling, manufacturing, or repairing activity as they are engaged in. The pumping of gas, repairing of motors, servicing of

boats, these are all activities not designed, in our judgment, to meet the 13(a)(3) exemption, which is more or less related to the amusement park-type of operation, I suppose.

Mr. DENT. Mr. Scherle, do you have any questions?

Mr. SCHERLE. Not at the present time, Mr. Chairman.

Mr. DENT. Thank you all for attending and for your very frank testimony. I am sure the committee is going to take it under consideration seriously and we will try to discuss the matter at length with the Department, to see if we can't come to some kind of agreement on the matter without going into the legislative process.

Mr. LIFTON. We very much appreciate the interest of the chairman and the committee in this problem.

Mr. DENT. Without objection, at this point in the record we will insert a statement from the Honorable H. C. Schadeberg, one of our colleagues, and a letter from Mr. Russell E. Gage of the Gage Marine Corp., addressed to Mr. Schadeberg.

(Statement and letter follow:)

REMARKS OF HON. H. C. SCHADEBERG, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF WISCONSIN

Mr. Chairman, I am pleased to be with you this morning and I appreciate your courtesy in including me in this hearing.

My conviction that H.R. 13192 corrects an oversight in existing legislation is as firm today as it was several months ago when the plight of the boating industry was first brought to my attention. In the light of the fact that representatives of the automobile, trailer, truck, farm implement, and aircraft industries engaged in similar work have been specifically exempted from the overtime provisions of the minimum wage law, it is apparent that the inclusion of the boating industry in this exemption is justified.

Existing law imposes an unnecessary and inequitable hardship on the boating industry and I hope that our efforts to remove this hardship will meet with success.

GAGE MARINE CORP.,
Williams Bay, Wis., October 21, 1967.

HON. HENRY C. SCHADEBERG,
House Office Building,
Washington, D.C.

DEAR CONGRESSMAN SCHADEBERG: It is our understanding that hearing on bill H.R. 13192 will be held on Thursday, October 26, before the General Subcommittee on Labor of the House Education and Labor Committee.

We wish to very strongly urge the passage of this bill which will amend the Fair Labor Standards Act of 1938 and thereby remove a damaging hardship as well as a gross inequity which presently exists as far as the Marine Industry is concerned. Our industry is extremely seasonal and the demands on our time during such a short period of time are tremendous. On this basis alone, it would seem that the Marine Industry should be entitled to the same exemptions which other industries, not so seasonal, presently enjoy.

The passage of the bill H.R. 13192, which Congressman Dent and you are introducing, would provide much needed relief for the Marine Industry and place us in a position which would be more equitable with other industries.

You may rest assured your support of this bill will not only be very helpful, but also very much appreciated.

Respectfully yours,

RUSSELL E. GAGE,
President.

Mr. DENT. This committee will stand in recess, subject to the call of the Chair.

(Whereupon, at 10:55 a.m., the subcommittee recessed, to reconvene at the call of the Chair.)

