

29 C.F.R. § 776.16

Employment in "producing, * * * or in any other manner working on" goods.

- (a) Coverage in general. Employees employed in "producing, manufacturing, mining, handling, or in any other manner working on" goods (as defined in the Act, including parts or ingredients thereof) for interstate or foreign commerce are considered actually engaged in the "production" of such goods, within the meaning of the Act. Such employees have been within the general coverage of the wage and hours provisions since enactment of the Act in 1938, and remain so under the Fair Labor Standards Amendments of 1949. [1]
- (b) Activities constituting actual "production" under statutory definition. It will be noted that the actual productive work described in this portion of the definition of "produced" includes not only the work involved in making the products of mining, manufacturing, or processing operations, but also includes "handling, transporting, or in any other manner working on" goods. This is so, regardless of whether the goods are to be further processed or are so-called "finished goods." The Supreme Court has stated that this language of the definition brings within the scope of the term "production," as used in the Act, "every step in putting the subject to commerce in a state to enter commerce," including "all steps, whether manufacture or not, which lead to readiness for putting goods into the stream of commerce," and "every kind of incidental operation preparatory to putting goods into the stream of commerce." [2]

However, where employees of a common carrier, by handling or working on goods, accomplish the interstate transit or movement in commerce itself, such handling or working on the goods is not "production." The employees in that event are covered only under the phrase "engaged in commerce." [3]

(c) *Physical labor*. It is clear from the principles stated in paragraphs (a) and (b) of this section, that employees in shipping rooms, warehouses, distribution yards, grain elevators, etc., who sort, screen, grade, store, pack, label, address or otherwise handle or work on goods in preparation for shipment of the goods out of the State are engaged in the production of goods for commerce within the meaning of the Act. [4] The same has been held to be true of employees doing such work as handling ingredients (scrap iron) of steel used in building ships which will move in commerce; [5] handling and caring for livestock at stockyards where the livestock are destined for interstate shipment as such [6] or as meat products; [7] handling or transporting containers to be used in shipping products interstate; [8] transporting, within a single State, oil to a refinery [9] or lumber to a mill, [10] where products of the refinery or mill will be sent out of the State; transporting parts or ingredients of other types of goods or the finished goods themselves between processors, manufacturers, and storage places located in a single State, where goods so transported will leave the State in the same or an altered form; [11] and repairing or otherwise working on ships, [12] vehicles, [13] machinery, [14] clothing, [15] or other goods which may be expected to move in interstate commerce.

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