$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