

Coalition for a Real Minimum-Wage Increase

Asian American Legal Defense & Education Fund, Chinese Staff & Workers Association, Community Development Project – Urban Justice Center, Flushing Workers Center, Hunger Action Network of New York State, MFY Legal Services, National Mobilization Against SweatShops, National Center for Law and Economic Justice

Press Release

For Immediate Release: November 13, 2013

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Data Reveals Weak Enforcement in NYS Department of Labor Coalition Demands Governor Cuomo Take Action on Enforcement

Date: **Wednesday, November 13, 2013, 11:30 a.m.**

Location: In front of **NYS Dept. of Labor, 75 Varick St.** (between Canal & Watt) NYC

The Coalition for a Real Minimum-Wage Increase held a news conference on Wednesday, Nov. 13 to release data concerning the handling of wage theft cases by the NYS Department of Labor.

The information was gathered through the filing of a Freedom of Information request after DOL denied that there were 15,000 pending wage theft cases with a 2-year backlog. The information relates to the number of cases filed and pending; the disposition of cases; and the amount of stolen wages recovered.

A report by the Economic Policy Institute last week stated that more than 60 percent of low-wage workers have some pay illegally withheld by their employer each week. And, a study by the National Employment Law Project found that a billion dollars is stolen annually from workers just in NYC alone. Yet, in the entire state over the last five years, the Department of Labor only collected an average of approximately \$22.5 million per year.

The news conference took place in front of the Department of Labor office at 75 Varick St. where many workers file their wage theft complaints. Workers discussed their experiences of filing complaints and waiting for years to repeatedly hear that there has been no progress on their case. Carlos Rodriguez Herrera, a Domino's Pizza worker, described going to the DOL in 2009 and finding out four years later that the DOL settled his cases for only \$365, a tiny fraction of what he was owed. He was robbed of 20 hours of wages per week for two years, paid under the minimum wage, and was denied overtime pay. Yudan Wong, a quality-control worker at garment factories, filed a claim at the DOL in 2006, but after hearing nothing for years, gave up in 2010.

Maia Goodell, Supervising Attorney at MFY Legal Services, said "The Freedom of Information data confirm what we hear from our clients every day: a worker cannot count on the basic right to be paid for a day's work."

Mark Dunlea, Executive Director of Hunger Action Network of NYS said, "More than a million New Yorkers use emergency food programs each year because their paychecks are too low to provide basic necessities. It is clear that many if not most low-income workers are having part of their wages stolen by their employers and the Cuomo administration needs to do more to stop it. Politicians always say that a job is the solution to poverty but the problem is they fail to create jobs while keeping the minimum wage a sub-poverty wage; and then they fail to ensure the workers get paid even that."

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Even when the DOL orders employers to pay money to their employees, because of weaknesses of the law and inadequate resources, the DOL cannot enforce many of its orders nor collect the money from employers who refuse to pay. Instead of allocating more resources, Cuomo's administration announced a new policy to investigate complaints no more than 3 years back from the date they are filed except in egregious cases. The NY Labor Law has a six-year statute of limitations and the Commissioner of Labor is authorized to investigate claims for the full six years.

“The system is broken. The data from the Freedom of Information request shows that Governor Cuomo doesn't care about workers' wages being stolen and the hard work workers do every day to keep the state running. It's time Cuomo not only does more for enforcement but also address the problems in his recent minimum wage increase.”, said JoAnn Lum, National Mobilization Against SweatShops. The Coalition for a Real Minimum-Wage Increase called on Governor Cuomo to take immediate action in addressing the poor enforcement of wage laws under his administration. Workers and advocates demanded increased resources for the Department of Labor and State Attorney General's Office so that investigations could occur in a timely fashion and that laws and policies related to wage theft are strengthened. The Coalition also demands Cuomo increase the minimum wage to at least \$10/hour next year, raise the minimum wage for tipped workers and repeal the subsidies to corporations for hiring young workers.

The Coalition urged workers with wage-theft problems and pending claims at the Department of Labor to call: 212-358-0295.

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