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ALARCON JOINS WITH NATIONAL DAY LABORER ORGANIZING NETWORK AND UCLA LABOR CENTER TO INTRODUCE A MOTION TO CREATE A “WAGE THEFT” ORDINANCE AND ENSURE WORKERS RECEIVE THEIR DUE PAY

Los Angeles, CA – This morning, Los Angeles City Councilmember Richard Alarcón joined with the National Day Laborer Organizing Network and UCLA Labor Center at a press announcing that he would be introducing a motion to create a “wage theft” ordinance in Los Angeles. The motion directs the City Attorney, with the assistance of the Los Angeles Police Department, and in collaboration with the UCLA Downtown Labor Center and the National Day Laborer Organizing Network, to draft a Wage Theft Ordinance for the City of Los Angeles and present that ordinance in 90 days to the Jobs and Business Development Committee. The intention of the ordinance is to criminalize the practice of wage theft and increase tracking and enforcement of those who take advantage of workers.

“This wage theft ordinance will help us prosecute ruthless employers who think they can get away with scamming their workers or not paying a legal wage,” said Councilmember Alarcón. “Whether it be a company, contractor or individual, employers need to realize that every worker is entitled to fair compensation, overtime pay and protections under our laws and we will go after those who take advantage of their employees.”

Pablo Alvarado, Director of the National Day Laborer Organizing Network said, “No one should have his or her labor stolen in Los Angeles. Wage theft robs workers of their hard-earned income, it takes food from families, and it deprives neighborhoods of consumer spending. We are eager to partner with Los Angeles lawmakers to craft a policy that holds predatory employers accountable and protects the community from wage theft.”

While there are laws that provide for the timely payment of wages to workers, including minimum wage and overtime pay, many low-wage workers in Los Angeles and other cities in the United States are not being paid their rightfully owed wages and fall victim to “wage theft.” According to a study by the University of California, Los Angeles (UCLA), 26% of low-wage workers are not paid minimum wage and 76% are not paid the legal overtime rate. This same study also found that of those who worked off-the-clock, 70% received no pay for the work they completed and 12% of workers who received tips had some stolen by their employer. Furthermore, many low-wage workers do not receive compensation when they are injured on the job. Of those who had been injured on a job, only 8% filed workers compensation, while 33% paid their bills out of pocket.

Wage theft still occurs in our society for several reasons, including use of scare tactics by employers and lack of reporting and tracking. The UCLA study found that of workers that have complained about wage or tried to form a union, 43% had some form of illegal retaliation by their employer including suspension or firing, threatening to call immigration authorities, or threatening to cut workers’ hours or pay. Additionally 57% of low wage workers do not receive mandatory pay documents which are used to ensure that pay is legal and accurate, which makes the tracking of wage theft difficult.