

County of Santa Clara
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COMMUNITY CALENDAR ANNOUNCEMENT

April 15, 2014

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New Report Highlights the Problem of Wage Theft: County and Local Wage Theft Coalition Partner, Encourage County-wide Action

WHAT:

The County of Santa Clara and the Santa Clara County Wage Theft Coalition invite media and the general public for the launch of a new report on wage theft in Santa Clara County.

Wage theft is the crime of stealing earned wages from workers. It occurs when a worker is paid less than minimum wage, is not paid overtime, is paid only in tips, or works off the clock. Wage theft is a national epidemic – affecting workers in industries that span the economy. According to a national study, the average low-wage worker loses 15% of her wages to wage theft each year.

This event will feature highlights of the report and remarks from advocates, government agencies, workers, and County officials about this problem in Santa Clara County and strategies to stop wage theft.

WHO:

Santa Clara County Wage Theft Coalition (Member Agencies)
Supervisor Dave Cortese
Supervisor Cindy Chavez
County of Santa Clara Office of Women's Policy

WHEN:

Monday, April 21, 2014, 11:30 a.m. – Noon

WHERE:

County Government Center – Lower Level Conference Room (follow signs)
70 W. Hedding, East Wing-11th Floor
San Jose, CA 95110

WHY:

Despite the economic success of Silicon Valley, wage theft is rampant in Santa Clara County. The San Jose office of the California Labor Commissioner handles approximately 300 enforcement claims from workers in the County each month. **From 2012-2013, the almost 2,000 workers who filed claims with this office were awarded \$8.4 million in owed wages. This is an average of almost \$5,000 per worker – which amounts to approximately a quarter of the income they earn in a year. Workers are often unable to collect their owed wages. Of the \$8.4 million awarded, workers have been able to collect only \$2.8 million or 33% of the total.** This report will highlight the problem and provides key strategies to combat wage theft in our community.

Key findings of the Wage Theft Report include:

- Of the \$8.4 million awarded by the Labor Commission to workers in San Jose and Salinas in 2012-2013, workers have been able to collect only \$2.8 million or 33 percent of the total.
- In a recent study, almost half of workers surveyed nationwide have experienced some form of illegal retaliation like firing or suspension when they complain.
- San Francisco, Chicago, Houston, and Miami-Dade have enacted ordinances to combat wage theft. The Houston ordinance makes offenders ineligible to receive occupational permits and licenses, revokes permits of wage theft violators, and creates a public database that lists those companies with a documented record of wage theft, making them ineligible for contracts and subcontracts.
- Employers engage in wage theft because they operate in industries where there is a culture of noncompliance, they lack knowledge of their responsibilities, and/or they engage in a cost/benefit analysis that weighs in favor of violation.

Key Recommendations in the Wage Theft Report include:

- Implement a system for flagging those businesses to which the County issues permits that are “wage theft violators” – that is, employers who have been found to be in violation of state and/or federal wage and hour laws within the last three years.
- Authorize all departments that issue permits to suspend those permits issued to wage theft violators.
- Allow workers with wage theft judgments to record a wage lien with the County Recorder similar to the existing Mechanic’s Lien.
- Recognize responsible employers and prohibit County contracts with wage theft violators
- Convene a working group of County departments that meets quarterly to coordinate efforts to address the problem of wage theft, develop education campaigns, and strategize about how to obtain compliance from the County’s worst violators.

About the Wage Theft Coalition

The Santa Clara County Wage Theft Coalition, convened in 2013 at the Katharine and George Alexander Community Law Center, includes community-based and worker-based organizations, legal advocacy agencies, public agencies, and other entities:

Members include:

- Asian Americans for Community Involvement
- California Immigrant Policy Center
- International Children Assistance Network
- Katharine & George Alexander Community Law Center
- Movimiento de Accion, Inspirando Servicio
- Mountain View Day Laborer Center
- Pilipino Association of Workers and Immigrants
- Restaurant Opportunities Center of the Bay
- Services, Immigrant Rights, & Education Network
- Vietnamese American Workers’ Rights Project of the Legal Aid Society – Employment Law Ctr.
- Working Partnerships USA
- Workplace Justice Initiative

The Coalition is also supported by governmental and private entities, including the following:

- The Santa Clara County Office of Women's Policy has provided valuable support and assistance to the Coalition. The OWP is a leading voice in Silicon Valley on the needs of women and girls, serving as a catalyst for awareness and action on current and emerging issues that impact women's health, safety and security. Through analysis, research and strategic collaboration, OWP works to ensure that programs and services, and also systems and policy support women's leadership, full equality and advancement in the home, at work and in the community.
- Justice at Work Law Group is a private law firm, primarily representing workers in wage theft cases in Federal and California Courts and administrative bodies. They seek to work proactively with small businesses to prevent wage and hour disputes from occurring and help to resolve these disputes with employees and their representatives when mistakes have been made.

The Coalition came together to address wage theft in Santa Clara County. One of the Coalition's main goals is to create an environment where workers earn their fair wages and responsible businesses do not face unfair competition. It works to strengthen member organizations that support workers, to lift up worker stories, and to increase the visibility of these organizations in our community and the important work they do.