

## Winning Wage Justice: A Summary of Research on Wage and Hour Violations in the United States

Wage theft – shortchanging workers of the wages they are owed – is becoming a defining trend of the 21st century labor market. It takes many forms for workers, including being paid less than the minimum wage or other agreed upon wage, working “off-the-clock” without pay, getting less than time-and-a-half for overtime hours, having tips stolen, being misclassified as an “independent contractor” instead of an employee<sup>1</sup> and underpaid, having illegal deductions taken out of paychecks, or simply not being paid at all.

A growing body of research – national studies, industry and regionally-specific studies, and government reports – documents a broad and worsening wage theft crisis in the United States. These studies show that far from being incidental or rare, wage theft takes place in industries that span the economy, including retail, restaurant and grocery stores; caregiver industries such as home health care and domestic work; blue collar industries such as manufacturing, construction and wholesalers; building services such as janitorial and security and personal services such as dry cleaning and laundry, car washes, and beauty and nail salons.

Below, we summarize this expanding body of research, focusing on reports that use various survey-based methodologies to document wage and hour violations experienced by low-wage workers in industries and regions across the country. Although this review focuses primarily on survey-based research, we also highlight key

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<sup>1</sup> There are many reports analyzing the prevalence of the misclassification of “employees” as independent contractors, and the impact this illegal practice has not just on workers, but on the public coffers. These reports are helpful to wage theft campaigns seeking to combat such misclassification because they detail the cost of this practice on taxpayers. For a summary of these reports, please see Sarah Leberstein, *Independent Contractor Misclassification Imposes Huge Costs of Workers and Federal and State Treasuries*, National Employment Law Project (October 2011).

non survey-based reports that, using a mix of worker interviews, legal and historical analyses, and reviews of existing research, also find severe workplace exploitation across low-wage industries. Our goal is to provide communities with research they can use in their advocacy and organizing efforts to win wage justice.

## Multi-industry research (by region where noted)

**Broken Laws, Unprotected Workers:** A seminal national study surveying 4,307 low-wage workers in New York, Chicago and Los Angeles found that 26% of workers surveyed were not paid the applicable minimum wage, 76% were not paid overtime in the preceding week and 57% did not receive pay stubs in violation of state laws requiring employer to provide workers with written documentation of wages, rates of pay, and hours worked. Seventy percent of workers who came in early or stayed late after their regular shift suffered from “off-the-clock” violations by not being compensated for all hours worked. More than two-thirds of surveyed workers who were legally entitled to at least one meal break received no break at all, had their break shortened, were interrupted by their employer, or worked during the break. Thirty percent of the tipped workers surveyed were not paid the tipped worker minimum wage, and 12 percent of tipped workers had their tips stolen by their employer or supervisor. Twenty percent of all the workers surveyed reported that they had made a complaint to their employer or attempted to organize a union, and of these workers, 43% experienced one or more forms of illegal retaliation by their employer or supervisor, such as firing or suspending workers, threatening to call immigration authorities, or cutting pay. Annette Bernhardt, Ruth Milkman, Nik Theodore *et al.*, *Broken Laws, Unprotected Workers: Violations of Employment and Labor Laws in America’s Cities* (September 2009).

*Broken Laws’* city-specific reports go into greater depth on the workplace violations experienced by surveyed workers in the three cities:

**Chicago:** Nik Theodore, Mirabai Auer, Ryan Hollon, and Sandra Morales-Mirquem, *Unregulated Work in Chicago: The Breakdown of Workplace Protections in the Low-Wage Labor Market*, University of Illinois at Chicago Center for Urban Economic Development (April 2010).

**Los Angeles:** Ruth Milkman, Ana Luz Gonzàlez and Victor Narro, *Wage Theft and Workplace Violations in Los Angeles: The Failure of Employment and Labor Law for Low-Wage Workers*, Institute for Research on Labor and Employment University of California, Los Angeles (2010).

**New York City:** Annette Bernhardt, Diana Polson and James DeFilippis, *Working Without Laws: A Survey of Employment and Labor Law Violations in New York City*, National Employment Law Project (2010).

**Chicago:** Survey of 1,653 documented and undocumented immigrants found 7% earned below minimum wage in current or most recent job (10% of undocumented and 3% of documented); 18% of total survey (26% of undocumented and 9% of documented) reported no payment or underpayment of wages, and 18% of total survey (21% of undocumented and 16% of documented) reported forced overtime work. Chirag Mehta, Nik Theodore, Illina Mora, and Jennifer Wade, *Chicago's Undocumented Immigrants: An Analysis of Wages, Working Conditions and Economic Contributions*, University of Illinois at Chicago Center for Urban Economic Development (February 2002).

**Chicago:** Written survey of 799 workers in low-income communities found 8.2% reported being paid less than the minimum wage, 19.6% did not receive all wages due, and 17.2% who were required to work overtime were not paid overtime wages. Rebekah Levin and Robert Ginsburg, *Sweatshops in Chicago: A Survey of Working Conditions in Low-Income and Immigrant Communities*, Center for Impact Research & Center for Labor and Community Research (2000).

**Colorado:** Survey of 254 workers found 18% reported experiencing one instance of nonpayment of wages, and an additional 10% reported several instances of nonpayment of wages, 17% experienced one incident of being paid less than they were promised and an additional 14% reported several instances of being paid less than promised, 25% reported not being paid overtime wages. Suzette Tucker-Welch, *The State of Working Immigrants in Colorado*, Colorado Center on Law and Policy (March 2004).

**Los Angeles:** Using a variety of government data, this study estimates that between 9 to 29% of jobs in LA county's economy are in the "informal economy", and that the most likely industries for informal employment are agriculture, construction, food manufacturing, paper, rubber and plastics manufacturing, lumber and wood, primary metal industries, eating and drinking establishments, and private household services. Pascale Joassart-Marcelli and Daniel Flaming, *Working Without Rights: The Informal Economy in Los Angeles*, Economic Roundtable (2002).

**New York City:** Survey of 184 Korean immigrant workers in various low-wage industries in New York City including dry cleaners, garment, groceries and delis, restaurants, hair and nail salons and health spas found 64% reported working over 50 hours a week and 47% reported working 60 hours or more a week, but 73% stated they had no agreement with their employer to be paid a higher amount for overtime hours. Only 58% reported receiving pay stubs or other records of employment. Asian American

Legal Defense and Education Fund and YKASEC, *“Forgotten Workers”: A Study of Low-Wage Korean Immigrant Workers in the Metropolitan New York Area* (2006).

**National:** Analysis of U.S. DOL and BLS data found evidence of substantial noncompliance with federal law and regulations regarding overtime pay and exemptions. Lonnie Golden & Helene Jorgensen, *Time After Time: Mandatory Overtime in the U.S. Economy*, Economic Policy Institute (2002).

**The South:** Survey of over 500 low-income Latino immigrants in Nashville, Charlotte, New Orleans, rural southern Georgia and several towns and cities in northern Alabama found that 41% had experienced wage theft where they were not paid for work performed. In New Orleans, 80% reported wage theft. Workers surveyed worked in agriculture, construction, hospitality, and poultry processing industries. Mary Bauer, *Under Siege: Life for Low-income Latinos in the South*, Southern Poverty Law Center (April 2009).

## Industry-specific research (by region where noted)

### ▪ AGRICULTURE

**National (“Salad Bowl” commodities):** U.S. DOL compliance surveys of agricultural commodity producers in 1999-2000, *U.S. DOL 1999-2000 Report on Initiatives* (February 2001), found the following compliance levels with the Fair Labor Standards Act (FLSA) and Migrant and Seasonal Agricultural Worker Protection Act (MSPA):

**Cucumber:** 49% compliance rate in the cucumber industry in 1999

**Garlic:** 38% compliance rate in the garlic industry in 2000

**Lettuce:** 65% compliance rate in the lettuce industry in 1999

**Tomato:** 75% compliance rate in the tomato industry in 1996

**Onion:** 42% compliance rate in the onion industry in 1999

**National (Reforestation):** U.S. DOL compliance survey in 2000 found a 30% compliance rate with FLSA and MSPA in the reforestation industry. *U.S. DOL 1999-2000 Report on Initiatives* (February 2001).

**National (Poultry Processing):** U.S. DOL compliance survey in 2000 investigating 51 randomly selected poultry processing plants nationwide found rampant noncompliance with FLSA, including unpaid hours of work (100% of plants in violation), misclassification of workers as exempt from overtime (65% of plants in

violation), and impermissible deductions from pay (35% of plants in violation) [U.S. DOL Poultry Processing Compliance Survey Fact Sheet](#) (January 2001).

**California (Grape):** A report surveying over 1,000 grape workers in CA found that 49.8% reported pay stubs that did not reflect all hours worked (among these, it happened 1-3 times in the past year to 45%, 8-10 times to 21% and 10 times or more to 11%), and 49.9% reported not always receiving overtime wages owed. Mark Schacht *et al.*, *A 2004 Survey of 1,028 California Agricultural Workers Found Widespread Wage and Hour Violations*, California Rural Legal Assistance Foundation (January 2005).

**California (Grape):** U.S. DOL compliance survey of 66 growers and 23 farm labor contractors found minimum wage violations in 20% of grower investigations and over 50% of contractor investigations. U.S. DOL Press Release, *Federal Survey of State Grape Industry Reveals Underpaid Workers* (1998).

**North Carolina (Tobacco):** A report in the North Carolina tobacco industry found that a quarter of surveyed workers reported being paid less than the federal minimum wage. Oxfam America and Farm Labor Organizing Committee, *A State of Fear: Human Rights Abuses in North Carolina's Tobacco Industry* (2011).

- **BUILDING SERVICES**

**Miami-Dade, FL:** Report interviewing 696 condominium workers in Miami-Dade county found that between 15 to 20% worked “off-the-clock” and were not compensated for this work, almost a fourth who worked during their meal break were not compensated, and of the slight majority of workers who worked overtime, over a quarter did not receive time and half pay. Bruce Nissen, *Employment Practices and Working Conditions in the Building Service Industry in Miami-Dade County, Florida*, Center for Labor Research and Studies, Florida International University (June 2004).

**South Florida:** U.S. DOL compliance survey found federal wage and hour compliance of 60% in security guard industry in South Florida in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

- **CARE-GIVING**

**National:** Survey of 2,086 domestic workers in Atlanta, Boston, Chicago, Denver, Houston, Los Angeles, Miami, New York, San Antonio, San Diego, San Francisco, San Jose, Seattle, and Washington, D.C. between June 2011 and February 2012 found that 28% of nannies, 27% of caregivers, and 20% of housecleaners earn less than the minimum wage. The median hourly wage of domestic workers who are U.S. citizens is \$12, compared to \$10 for both documented and undocumented immigrants (a 17% wage penalty). Sixty-seven percent of workers surveyed were not

paid for extra time worked and 85% were not guaranteed overtime pay. National Domestic Workers Alliance, *Home Economics: The Invisible and Unregulated World of Domestic Work* (2012).

**National:** U.S. DOL's 1997 Nursing Home compliance survey found 70% of nursing and other personal care facilities surveyed were in compliance with the FLSA, 83% of those employers found in violation of the FLSA violated the overtime regulations, and nearly 20% of the nursing homes violated the FLSA's child labor provisions. U.S. DOL, [Nursing and Other Personal Care Facilities 1997 Compliance Survey Fact Sheet](#) (1997).

**California:** Survey of over 240 domestic workers in San Francisco found 11% reported earning less than the minimum wage, over 90% did not get paid overtime wages, 31% had to work more hours than agreed upon, 22% were paid less than the agreed upon wages, 16% were not paid or were paid with a bad check, 83% did not receive paid work breaks and 78% did not receive paid meal breaks. Mujeres Unidas y Activas, Day Labor Program Women's Collective of La Raza Centro Legal & DataCenter, *Behind Closed Doors: Working Conditions of California Household Workers* (March 2007).

**Georgia:** U.S. DOL compliance survey found a 26% federal wage and hour compliance rate in the day care industry in Georgia in 2001. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Gulf Coast, Alabama:** U.S. DOL compliance survey found a 33% federal wage and hour compliance rate in the day care industry on the Gulf Coast of Alabama in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Kansas City, MO:** U.S. DOL compliance survey found a 24% federal wage and hour compliance rate in the day care industry in Kansas City in 1999, and a 55% compliance rate in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**New York:** Survey of 547 domestic workers in New York, including nannies, housecleaners and elder care providers, and live-in and live-out workers, found that 19% of workers reported not being paid on time, and that while half of workers reported working overtime – often more than 50-60 hours a week – 67% of workers reported that they did not receive overtime pay for overtime hours worked. Domestic Workers United & DataCenter, *Home is Where the Work Is: Inside New York's Domestic Work Industry* (2006).

**Pennsylvania:** U.S. DOL compliance survey found a 47% federal wage and hour compliance rate in the day care industry in Pennsylvania in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Seattle, WA:** U.S. DOL compliance survey found a 52% federal wage and hour compliance rate in the adult family home industry in Seattle in 1999, and a 53% compliance rate in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**South Carolina:** U.S. DOL compliance survey found 67% federal wage and hour compliance rate in the day care industry in South Carolina in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Springfield, IL:** U.S. DOL compliance survey found a 68% federal wage and hour compliance rate in the day care industry in Springfield in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**St. Louis, MO:** U.S. DOL compliance survey found a 50% federal wage and hour compliance rate in the nursing home industry in St. Louis in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Tennessee:** U.S. DOL compliance survey found a 46% federal wage and hour compliance rate in the day care industry in Tennessee in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**West Covina, CA:** U.S. DOL compliance survey found a 35% federal wage and hour compliance rate in the residential care industry in West Covina in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

- **CARWASH**

**Chicago:** Survey of 204 employees at 57 car washes in Chicago found that over 75% earned below the Illinois minimum wage of \$8.25 an hour, 13% earned less than \$2.00 an hour in the previous work week, 11.4% were not paid for off-the-clock work, 98.2% were not paid the legal overtime rate, and 17.7% were forced to pay tips to their employer. Roughly 33% of respondents worked 50-59 hours in one week and another 33% worked 60-69 hours. An additional 10% worked between 70-79 hours. Robert Bruno, Alison Dickson Quesada, and Frank Manzo IV, [Clean Cars, Dirty Work: Worker Rights Violations in Chicago Car Washed](#), University of Illinois School of Labor and Employment Relations (September 2012).

- **CONSTRUCTION / DAY LABOR / LANDSCAPING**

**National:** National survey of 2,660 day laborers randomly selected at 264 hiring sites in 139 municipalities in 20 states and the District of Columbia found that nearly half of workers surveyed had experienced wage and hour violations in the 2 months

prior to the survey, 44 percent had been denied food/water or breaks while on the job, one in 5 had experienced a work related injury (and of those injured, more than half did not receive medical care). Abel Valenzeula, Jr., Nik Theodore, Edwin Meléndez & Ana Luz González, *On the Corner: Day Labor in the United States*, UCLA Center for the Study of Urban Poverty, University of Illinois at Chicago Center for Urban Economic Development & New School University (January 2006).

**National:** U.S. GAO report with over 25 structured interviews with nonprofit, local government or temporary staffing agencies, focusing on NY, CA, IL and VA, found over half the day laborers in their studies were not paid the wages due to them, corroborating agency reports that day laborers complain at least once a week about nonpayment of wages. U.S. General Accounting Office, *Worker Protection: Labor's Efforts to Enforce Protections for Day Laborers Could Benefit from Better Data and Guidance*, GAO-02-925 (2002).

**Atlanta, GA:** Study based on sample survey of workers, temporary staffing agencies and building and construction contractors in Atlanta metro area found 20% of survey respondents indicated they were not paid their promised wages at their last temp job. Workers also reported not being paid for all hours worked and not being allowed to work overtime. Chirag Mehta, Sara Baum, Nik Theodore & Lori Bush, *Workplace Safety in Atlanta's Construction Industry: Institutional Failure in Temporary Staffing Arrangements*, University of Illinois at Chicago Center for Urban Economic Development (June 2003).

**Cleveland, Ohio:** Survey of 77 day laborers found 58% reported being paid less than the promised rate, 56% reported not being paid overtime, 46% did not receive as many work hours as they were promised, and 48% of those who raised complaints about workplace conditions reported retaliatory employer conduct. Daniel Kerr & Chris Dole, PhD candidates at Case Western University, *Challenging Exploitation and Abuse: A Study of the Day Labor Industry in Cleveland* (2001).

**Fairfax County, VA:** Survey of 201 workers at four day laborer sites conducted by county agency found 54.6% reported being paid less than agreed upon wages, and 53.1% reported nonpayment for work performed. Dep't of Systems Management for Human Services, *An Account of Day Laborers in Fairfax County* (June 2004).

**Los Angeles and Orange Counties, CA:** Survey of 481 day laborers at 87 worksites conducted in 1999 found 48% experienced nonpayment of wages, 52% were paid less than agreed, 33% were abandoned at a worksite, 28% were paid with a bad check, 59% had no access to food or water, and 48% had no breaks. Abel Valenzuela Jr., *Day Laborers in Southern California: Preliminary Findings from the*

Day Labor Survey, UCLA Center for the Study of Urban Poverty Institute for Social Science Research (1999).

**New Jersey:** Report, which also details recommended amendments to state's wage theft statute, surveyed 113 day laborers and interviewed day labor advocates, mayors, police chiefs and municipal prosecutors. Survey found 54% of day laborers experienced at least one instance of wage theft in past year, with 48% not being paid at all and 94% reporting nonpayment of overtime, and that vast majority did not use legal recourse to recover unpaid wages. Seton Hall University School of Law, All Work and No Pay: Day Laborers, Wage Theft and Workplace Justice in New Jersey (2011).

**New York:** Survey of 290 day laborers from 29 sites conducted in 2002 found 50% experienced nonpayment of wages, 60% were paid less than agreed, 39% were abandoned at worksite, 14% were paid with a bad check, 61% had no access to food or water, and 53% had no breaks. Abel Valenzuela Jr. & Edwin Meléndez, Day Labor in New York: Findings from the NYDL Survey, UCLA Center for the Study of Urban Poverty & New School University Community Development Research Center New School University (2003).

**Texas:** Research from data collected from primary and secondary sources, including surveys with over 312 construction workers, interviews with industry leaders, and review of existing government data found 38% of construction workers in Texas misclassified as independent contractors, one in five surveyed workers reported being denied payment, 50% of workers surveyed were not paid overtime wages, and that in 2007, 142 workers in Texas died due to a construction related industry, the highest fatality rate in the country. Workers Defense Project, Building Austin, Building Injustice: Working Conditions in Austin's Construction Industry (2007).

- **GARMENT**

**Los Angeles:** Report examining compliance with federal minimum wage law in the U.S. apparel industry, drawing on U.S. DOL data from a randomized survey of apparel contractors in Los Angeles found that for 1996-2000, the annual likelihood of a USDOL inspection was 0.1%, and the median percent of investigations with violations was 48.7%, with the typical contractor owing about \$3,700 in back wages. David Weil, Public Enforcement/Private monitoring: Evaluating a New Approach to Regulating the Minimum Wage, Industrial and Labor Relations Review 58:238-257 (2005).

**Los Angeles:** U.S. DOL compliance survey found a 33% compliance rate with federal wage and hour law in Los Angeles garment industry in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**New York City:** U.S. DOL compliance survey found 52% of garment employers in overall compliance with federal wage and hour law in New York City in 2001 (87% compliance with minimum wage, 52% compliance with overtime). [U.S. DOL New York City Garment Compliance Survey](#) (March 2002).

**San Francisco:** U.S. DOL compliance survey found 75% of garment employers in overall compliance with federal wage and hour law in San Francisco in 2001 (94% compliance with minimum wage and 75% compliance with overtime). [U.S. DOL San Francisco Garment Compliance Survey](#) (March 2002).

▪ **HOSPITALITY (HOTEL, RESTAURANT)**

**National:** A 2000 U.S. DOL compliance survey to measure overall compliance with child labor laws in the full service restaurant, fast food, and supermarket establishments found 78% of full service restaurants in compliance, 70% of fast food establishments in compliance, and 82% of supermarkets in compliance. U.S. DOL Fact Sheet # 41, [Fast Food, Full Service Restaurant, and Supermarket Industries Youth Employment Compliance Survey](#) (2008).

**National:** Survey of 39 workers employed at Olive Garden, Red Lobster, and Capital Grille nationwide found that 38.2% had worked off the clock without being paid and 40% experienced overtime wage violations. Research also found that food servers experience three times the poverty rate of the rest of the American workforce. Restaurant Opportunities Center United, [Darden's Decision: Which Future for Olive Garden, Red Lobster, and the Capital Grille?](#) (2012).

**Multi-Region:** Survey and research into restaurant conditions in 8 regions – New York Chicago, Detroit, Los Angeles, Maine, Miami, New Orleans and Washington D.C. – which included more than 4,000 worker surveys, 240 employer interviews, 240 worker interviews and government data analysis. Results included 46.3% of workers reporting overtime violations and a \$3.71 wage gap between white restaurant workers and workers of color. Restaurant Opportunities Center United, [Behind the Kitchen Door: A Multi-Site Study of the Restaurant Industry](#) (2011).

*Behind the Kitchen Door's* region-specific studies go into greater depth on violations experienced by restaurant workers in each region:

**Chicago, IL:** Survey of restaurant workers found 32.6% reported experiencing overtime violations, 4.6% reported minimum wage violations,

28.5% reported working off-the-clock without pay, and 14.7% reported that management took a share of their tips. ROC-Chicago, *Behind the Kitchen Door: The Hidden Costs of Taking the Low Road in Chicagoland's Thriving Restaurant Industry* (2010).

**Detroit, MI:** Survey of 501 restaurant workers found 51% reported experiencing overtime violations, 9% reported minimum wage violations, 31.7% reported working off-the-clock without pay, and 17.3% reported that management took a share of their tips. ROC-Michigan, *Behind the Kitchen Door: Inequality & Opportunity in Metro Detroit's Growing Restaurant Industry* (2010).

**Los Angeles, CA:** Survey of 502 restaurant workers found 44.1% reported experiencing overtime violations, 5.1% reported minimum wage violations, 26.7% reported working off-the-clock without pay, and 21% reported that management took a share of their tips. ROC-LA, *Behind the Kitchen Door: Inequality & Opportunity in Los Angeles, the Nation's Largest Restaurant Industry* (2011).

**Maine:** Survey of 525 restaurant workers found 24.9% reported experiencing overtime violations, 3% reported minimum wage violations, 27.4% reported working off-the-clock without pay, and 12% reported that management took a share of their tips. ROC-Maine, *Behind the Kitchen Door: Low Road Jobs, High Road Opportunities in Maine's Growing Restaurant Industry* (2010).

**Miami, FL:** Survey of 580 restaurant workers found 45.5% reported experiencing overtime violations, 21.8% reported minimum wage violations, 27.1% reported working off-the-clock without pay, and 15.5% reported that management took a share of their tips. ROC-Miami, *Behind the Kitchen Door: The Social Impact of Inequality in Miami's Growing Restaurant Industry* (2011).

**New Orleans, LA:** Survey of 530 restaurant workers found 38.1% reported experiencing overtime violations, 3% reported minimum wage violations, 27.8% reported working off-the-clock without pay, and 5.6% reported that management took a share of their tips. ROC-NOLA, *Behind the Kitchen Door: Inequality, Instability, and Opportunity in the Greater New Orleans Restaurant Industry* (2010).

**New York City:** Survey of over 530 restaurant workers found 13% reported experiencing minimum wage violations, 59% experienced overtime violations and 19% had had management take a share of their tips. New York

Restaurant Industry Coalition, *Behind the Kitchen Door: Pervasive Inequality in New York City's Thriving Restaurant Industry* (2005).

**Philadelphia, PA:** Survey and research, which included 580 worker surveys conducted in 2011-2012, 33 worker interviews, and government data analysis, found that 7.3% of restaurant workers were paid less than the minimum wage, 57.9% of workers who worked over 40 hours a week reported being paid less than the legally mandated overtime wage, and 31.3% complained to their employer about poor workplace conditions. Sixteen percent of those who complained were met with verbal abuse and threats of retaliation. ROC- Philly, *Behind the Kitchen Doors: The Hidden Reality of Philadelphia's Thriving Restaurant Industry* (October 2012).

**Washington, D.C.:** Survey of 510 restaurant workers found 33.5% reported experiencing overtime violations, 11.4% reported minimum wage violations, 35.4% reported working off-the-clock without pay, and 9.3% reported that management took a share of their tips. *Behind the Kitchen Door: Inequality & Opportunity in Washington, DC's Thriving Restaurant Industry* (2011).

**Bexar and Webb Counties, TX:** U.S. DOL compliance survey found a 69% federal wage and hour compliance rate in the restaurant industry in Bexar and Webb counties in 2000. *U.S. DOL 1999-2000 Report on Initiatives* (February 2001).

**Chicago, IL:** U.S. DOL compliance survey found a 42% federal wage and hour compliance rate in the restaurant industry in Chicago in 1999. *U.S. DOL 1999-2000 Report on Initiatives* (February 2001).

**Columbus, OH:** U.S. DOL compliance survey found a 72% federal wage and hour compliance rate in the restaurant industry in Columbus in 2000. *U.S. DOL 1999-2000 Report on Initiatives* (February 2001).

**Indianapolis, IN:** U.S. DOL compliance survey found a 47% federal wage and hour compliance rate in the restaurant industry in Indianapolis in 1999. *U.S. DOL 1999-2000 Report on Initiatives* (February 2001).

**New York City:** Survey of over 500 fast food workers found that 84% experienced wage theft. Thirty-six percent were not paid for work performed off the clock, 30% reported receiving late or bounced paychecks, and 30% were not paid for overtime hours. Fast Food Forward, *New York's Hidden Crime Wave: Wage Theft and NYC's Fast Food Workers* (2013).

**Phoenix, AZ:** U.S. DOL compliance survey found a 77% federal wage and hour compliance rate in the restaurant industry in Phoenix in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Pittsburgh, PA:** U.S. DOL compliance survey found a 50% federal wage and hour compliance rate in the restaurant industry in Pittsburgh in 1999. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Portland, OR:** U.S. DOL compliance survey found a 81% federal wage and hour compliance rate in the restaurant industry in Portland in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Reno, NV:** U.S. DOL compliance survey found a 62% federal wage and hour compliance rate in the hotel/motel industry in Reno in 1999. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Salt Lake City, UT:** U.S. DOL compliance survey found a 59% federal wage and hour compliance rate in the fast food restaurant industry in Salt Lake City in 1999. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**San Francisco, CA:** Survey of 433 restaurant workers and observational data on 106 restaurants found rampant wage theft in Chinatown restaurants, with 50% of workers reporting minimum wage violations (costing Chinatown restaurant workers an estimated \$8 million each year in lost wages). Three-quarters of workers were not paid overtime wages required, nearly 20% reported delayed wage payments, over 30% reported that their employer took a share of their tips, and nearly 20% reported that their employer withheld their first or even second paycheck – with a third of those workers reporting that their employer never gave them back these earnings. Chinese Progressive Association & Data Center, [Check Please! Health and Working Conditions in San Francisco's Chinatown Restaurants](#) (October 2010).

**Southeastern U.S.:** U.S. DOL compliance survey found 52% federal wage and hour compliance rate in the hotel/motel industry in the Southeast region of the U.S. in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

**Tampa, FL:** U.S. DOL compliance survey found a 53% federal wage and hour compliance rate in the full-service restaurant industry in Tampa in 2000. [U.S. DOL 1999-2000 Report on Initiatives](#) (February 2001).

- **RETAIL**

**New York City:** Survey of 436 retail workers in New York City found one in six workers reported working off the clock, almost 30% who worked more than 40 hours a week were not paid overtime, and only 15% of workers reported being paid a full

four hours (as required by New York State law) when they were called into a shift but then sent home early, with over a third of workers reporting that they were sometimes, often, or always sent home early. Stephanie Luce & Naoki Fujita, *Discounted Jobs: How Retailers Sell Workers Short*, City University of New York and the Retail Action Project (January 2012).

- **TAXI**

**Chicago:** Study examining working conditions of taxi drivers in Chicago surveyed 711 taxi workers, finding low earnings and significant business expenses such that 28.1% of drivers had business expenses that exceeded their income. Robert Bruno & Jennifer Schneidman, *Driven into Poverty: A Comprehensive Study of the Chicago Taxicab Industry*, University of Illinois School of Labor and Employment Relations (2009).

**Los Angeles:** Study examining the working conditions of taxi drivers in Los Angeles and that city's policies and practices surveyed 302 taxi workers, interviewed 20 taxi officials, city regulators and industry experts, and found that the median taxi driver in Los Angeles works 312 hours per month, 72 hours per week, typically working more than 12 hours per day, 6 days per week, yet earns a median wage of just \$8.39 per hour, less than the California minimum wage with overtime protections. Gary Blasi & Jacqueline Leavitt, *Driving Poor: Taxi Drivers and the Regulation of the Taxi Industry in Los Angeles*, UCLA Institute of Industrial Relations, UCLA Law School & UCLA School of Public Affairs (2006).

**New York City:** Survey of 581 yellow cab taxi drivers during 2002-2003 found that drivers paid an average of \$137 per day in operating costs (leasing cab and medallion, buying gas and insurance), while earning an average of \$160 a day, meaning that drivers', working long hours, averaged take home pay of just \$22 a day. Urban Justice Center Community Development Project, *Unfare: Taxi Drivers and the Cost of Moving the City* (September 2003).

**San Diego:** Survey of 331 taxi drivers in San Diego found that drivers earn a median wage of less than \$5 an hour, including tips. Almost 90% are "lease drivers" who spend approximately 70% of their earnings on operating costs. Lease drivers work a median of 71 hours per week and take home a weekly average of only \$317. San Diego State University and Center on Policy Initiatives, *Driven to Despair: A Survey of San Diego Taxi Drivers* (May 2013).

- **WAREHOUSE**

**New Jersey:** Survey of 291 logistics workers in New Jersey between November 2011 to February 2012 found that 34.4% made only the minimum wage of \$7.25 an

hour, 36.1% reported not being paid in full for work performed, and 16.5% reported having to wait a week or more beyond regular pay schedule for full payment. Further, 93% had fees deducted from their paychecks for agency-arranged transportation and 48.8% make less than the minimum wage after these transportation deductions. Jason Rowe, *New Jersey's Supply Chain Pain: Warehouse and Logistics Work under Walmart and Other Big Box Retailers*, Harvard University John F. Kennedy School of Government (2012)

## Seminal Non-Survey Research on Wage and Hour Violations

***Apart from the many survey reports listed above, many advocates have produced important research on wage and hour violations through a small number of worker interviews combined with legal and/or industry analysis. Here is a sampling:***

- A report on the H-2 temporary foreign worker program details abuses in this fundamentally-flawed program, provides in-depth worker testimonials, outlines the inadequacy of current federal laws and regulations in addressing guestworker exploitation, and proposes administrative and legislative reforms. The report is based on interviews with thousands of guestworkers, a review of the research on guestworker programs, legal cases brought by guestworkers, and interviews with legal experts. A 2013 update to this report indicates that workers have continued to be routinely cheated out of wages, subjected to human trafficking and debt servitude, and denied medical benefits for on-the-job injuries. Mary Bauer, *Close to Slavery: Guestworker Programs in the United States*, Southern Poverty Law Center (2007). Mary Bauer, *Close to Slavery: Guestworker Programs in the United States*, Southern Poverty Law Center (2013).
- In-depth interviews with over 40 female H-2B workers in the crab industry on the Eastern Shore of Maryland reveal exorbitant recruitment fees; exploitative working conditions including low wages, erratic work hours and paycheck deductions for tools and safety equipment; health and safety violations; and discrimination and harassment. Centro de los Derechos de los Migrante, Inc. & American University Washington College of Law, *Picked Apart: The Hidden Struggles of Migrant Worker Women in the Maryland Crab Industry* (2010).
- Recommendations for reforms that the U.S. DOL should adopt to address rampant workplace abuse of farmworkers are outlined in a report, which also provides an overarching view of the types of exploitation suffered by farmworkers, the limited legal protections for farmworkers, and the inadequate enforcement of these laws. The report reviews existing research, government data and legal cases, and includes personal testimonials from farmworkers who have suffered abuse. Farmworker Justice & Oxfam America, *Weeding Out Abuses: Recommendations for a Law-Abiding Farm Labor System* (2010).
- Rampant violations of minimum wage and overtime laws are documented in a report profiling individual worker stories and retail stores along a major thoroughfare in Brooklyn, NY. Make the

Road by Walking & Retail, Wholesale and Department Store Union, *Street of Shame: Retail Stores on Knickerbocker Avenue* (2005).

- Interviews with over 100 gourmet grocery store employees in Manhattan shed light on working conditions at upscale grocery stores in New York City. These workers experienced low pay, long hours with no overtime wages, abusive working conditions, and discrimination based on gender and immigration status. New York Jobs with Justice & Queens College Labor Resource Center, *Is Your Gourmet Grocery a Sweatshop? A Report on Working Conditions in Upscale Grocery Stores in New York City* (2005).
- A study of the U.S. port trucking industry combined interviews of port truck drivers at 39 companies in Seattle, Oakland, Los Angeles, Long Beach, New York and New Jersey, review of hundreds of their employment documents, an aggregation of 10 prior surveys of 2,183 at seven major ports, and a review of the industry's structure and economics, to find rampant illegal misclassification of employees as independent contractors, and widespread violations of minimum wage laws. The report estimates that 82% of port truck drivers are treated as independent contractors, making them responsible for all truck-related expenses; resulting in average net incomes 18% lower than employee drivers; and draining public coffers through uncollected taxes. Rebecca Smith, Dr. David Bensman & Paul Alexander Marvy, *The Big Rig: Poverty, Pollution and the Misclassification of Truck Drivers at America's Ports*, National Employment Law Project, School of Management and Labor Relations at Rutgers University & Change to Win (December 2010).<sup>2</sup>
- Wages and benefits at Wal-Mart are compiled into a report estimating the hidden public costs of Wal-Mart's low wages on the taxpayer. The report describes Wal-Mart's impact on the local economy, and discussing Wal-Mart's record of compliance with workplace laws (by highlighting recent federal and state litigation against the retailer). Annette Bernhardt, Anmol Chaddha & Siobhán McGrath, *What Do We Know About Wal-Mart?*, Brennan Center for Justice at New York University School of Law (August 2005). The emergent wage theft movement is examined in a report, that highlights the prevalence of wage theft in low-wage industries, assesses anti-wage theft campaigns, and considers the role of government enforcement. The report lays out recommendations for the wage theft movement's future. Nik Theodore, *The Movement to End Wage Theft*, University of Illinois at Chicago Department of Urban Planning and Policy (October 2011).
- Dangerous working conditions in Alabama's poultry processing industry are revealed in a report that notes the prevalence of injury and illness among this industry's workers and the few protections available to them. The report is based on 302 worker interviews and finds that chicken catchers are paid the same rate regardless of how long it takes them to complete their work and that these workers receive no additional compensation for working more than 40 hours a week. Sixty percent of workers reported feeling uncomfortable asking employers about problems with wages. Tom Fritsch, *Unsafe at These Speeds: Alabama's Poultry Industry and its Disposable Workers*, Southern Poverty Law Center and Alabama Appleseed (2013).

- Female undocumented immigrants working in the U.S. food industry in Arkansas, California, Florida, Iowa, New York, and North Carolina are shown to have a heightened vulnerability to workplace abuse according to a 2012 report. The report finds that these women are routinely cheated out of wages and subjected to an array of other workplace abuses. The report is based on a number of advocate interviews and approximately 150 interviews of immigrant women, either currently undocumented or have spent time in the U.S. as undocumented immigrants. Mary Bauer and Monica Ramirez, *Injustice on Our Plates: Immigrant Women in the U.S. Food Industry*, Southern Poverty Law Center (November 2010).
- The effects of wage theft on the individual, community, and local economy within Houston, Texas are explored in a report, which also provides an assessment of the current system dealing with wage theft cases and presents policy recommendations for the City of Houston. Houston Interfaith Worker Justice Center, *Houston, We Have a Wage Theft Problem: The Impact of Wage Theft on Our City and the Local Solutions Necessary to Stop It* (May 2012).
- Patterns of unscrupulous conduct in sectors of the low-wage staffing industry in Massachusetts are documented in a report highlighting the unique challenges for enforcing wage and hour laws in temporary, low-wage work. The report provides policy-makers an assessment of temporary low-wage work in Massachusetts as it affects workers, businesses, and the growth of the Massachusetts economy. Harris Freeman and George Gonos, *The Challenge of Temporary Work in 21<sup>st</sup> Century Labor Markets: Flexibility with Fairness for the Low-Wage Temporary Workforce*, University of Massachusetts Labor Relations and Research Center (2011).

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