

# **Minimum Wage Coalition: “One Month Later, the Word is Still Not Out”**

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## **Minimum Wage Coalition: “One Month Later, the Word is Still Not Out”**

*Spot surveys of more than 100 employers and 100 workers in New York City show that many still don't know the minimum wage increased on January 1, 2005.*

*Greater outreach to employers and workers is needed.*

**New York, NY** — The coalition of advocates that persuaded the State Legislature to increase the minimum wage called on the State Department of Labor today to step up public education efforts to ensure low-wage workers get the raises they were entitled to when the minimum wage in New York increased from \$5.15 an hour to \$6.00 on January 1, 2005. (The minimum wage will increase to \$7.15 in two additional steps by January 1, 2007.)

The coalition conducted spot surveys of both employers and workers

during the past month, and found that:

- Out of 117 employers surveyed, only 25% knew that the minimum wage was \$6.00 an hour.
- Among these employers were 53 restaurants, only 15% of whom knew about the increase.
- Only 44% of the surveyed employers had put up the legally required poster that informs workers of minimum wage and overtime laws; only a handful had the updated poster.
- Out of 109 workers surveyed, only 14% knew the correct wage.

The New York State Department of Labor, which is responsible for enforcing the minimum wage law, has publicized the minimum wage increase on its web site and has said that it is sending notices to all employers in New York State. But so far, that outreach doesn't seem to be working. "The only employers who consistently knew about the increase were big chains who had been informed by their human resource departments," said Eva Bonime of the Working Families Party, the labor and community-based party that led the campaign to raise the minimum wage. "Everyone else was pretty much just guessing. We only found one business that said it had received a notice from the Department of Labor."

Employer surveys were conducted by canvassing commercial strips in Manhattan, Brooklyn, Queens, and the Bronx; a subsample of restaurants was surveyed by phone. Worker surveys were conducted at rush-hour outside subway stops in Manhattan and Queens. The coalition said that while the resulting samples were not statistically representative, they did capture a wide range of businesses – including grocery, fast food, electronics, hardware, pharmacy and clothing retail stores. "We really just wanted to hit the ground and see whether people knew about the increase. What we found is that it's the Wild Wild West out there in terms of knowledge about one of our core workplace laws," said Margie McHugh, executive director of the New York Immigration Coalition, an umbrella policy and advocacy organization

for roughly 150 groups that work with immigrants and refugees.

The \$5.15 is Not Enough coalition called on the Department of Labor to increase its outreach efforts to both employers and workers. Possible strategies include running Public Service Announcements on TV and radio; sending targeted mailings to industries most likely to employ low-wage workers; and deploying additional field investigators over the next several months to ensure compliance with the new minimum wage. "Employers must comply with the law, and it is the State's responsibility to make sure they do," said Annette Bernhardt, Senior Policy Analyst with the Brennan Center for Justice at NYU School of Law, a member of the coalition. "It's a sad state of affairs when one of the employers we surveyed only knew about the wage increase because his worker came in with a newspaper story about it." Low-wage workers whose employers do not raise wages to comply with the new law are legally entitled to receive unpaid wages (also known as "back wages"). In addition, the State can seek civil and criminal penalties from employers who violate minimum wage laws.