

PEOPLE'S WORLD

www.peoplesworld.org

November 5, 2010

New report highlights wage theft

By Marilyn Bechtel

Whether in Kansas, Florida, Iowa, New York, California, or places in between, if you are a low wage worker, you are at high risk for wage theft - unpaid, delayed or subminimum wages. A long list of recent stories in the mainstream press has highlighted such practices - with Asian Pacific Islander, African American, Latino and young workers the likeliest targets - and the fight-back growing stronger.

One such fight-back is being waged here. The San Francisco-based Chinese Progressive Association last month released a far-reaching report on the problems faced by restaurant workers in this city's Chinatown, based on surveys of 433 restaurant workers interviewed by their peers, and observations of 106 restaurants.

The study, "Check Please", conducted in partnership with the San Francisco Public Health Department and several University of California health and labor programs, found that half the surveyed workers reported being paid less than the minimum wage - a violation costing Chinatown restaurant workers an estimated \$8 million a year in lost wages. Kitchen workers and dishwashers reported the highest rates of minimum wage violations.

Other abuses such as withholding or delaying

wages for weeks or months, and bosses taking part of workers' tips, were also rampant.

Most of the workers, and most of their employers, were Chinese immigrants.

Among common abuses were long working hours - 42 percent reported working more than 40 hours a week and half of those worked 60 or more hours - short or no rest or meal breaks, very high injury rates, work environments that were often stressful and unsupportive, lack of health cover-



T H I S W E E K :

- New report highlights wage theft
- Editorial: Capitalism sucks
- Riverwalk hospitality workers list demands
- Reforma al Código de Justicia Militar
- Teachers protest misuse of pension fund

READ MORE NEWS AND OPINION DAILY AT WWW.PEOPLESWORLD.ORG

age and time off to deal with health conditions.

Underemployment was also a problem, with nearly half those surveyed saying they worked 30 hours a week or less.

With wages averaging \$8.17 an hour - this city's minimum was \$9.36 at the time of the study

Half the surveyed workers reported being paid less than the minimum wage - a violation costing Chinatown restaurant workers an estimated \$8 million a year in lost wages.

- and 13 percent of workers earning \$5 an hour or less, only 5 percent earned a living wage and none earned enough to support a family of four. Health problems were rampant and nearly one-third of the workers said their health was worse than in the previous year. All employers in the city with 20 or more workers must spend a basic amount on employees' health care, but the survey found just 3 percent of employers providing health care.

Over two-thirds of those surveyed felt their jobs were not secure, and most lacked time to spend with family, pursue educational goals, or join in community activities. Among the report's recommendations:

- Local governments should shift to proactive, "investigation-driven" enforcement and not wait for workers' complaints.
- Increase funding for enforcement, assure bilingual staff and strengthen penalties for violations.
- Increase workers' ability to take action by stepping up education, streamlining the complaint process and increasing protection.

• More investment by the city and public agencies in diversified economic development in Chinatown, including a range of supports for businesses that meet wage and labor standards and treat workers well. Also, more investment in education and job training for workers, especially those with barriers to employment. The report also noted that under the Obama administration's Labor Secretary, Hilda Solis, the Labor Department "is undergoing a significant and promising shift in policy to strengthen federal enforcement of labor laws" and to involve "workers, community organizations, and other government agencies."

The Chinese Progressive Association is a founding member of the Progressive Workers' Alliance a coalition formed earlier this year to bring low-wage workers together across language, race and community, to fight wage theft and other violations of workers' rights, and to oppose city budget cuts that would hit low income residents hardest.



Marilyn Bechtel writes for the People's World.

Capitalism sucks

By PW Editorial Board

Capitalism sucks, unless you are one of the 74 wealthiest Americans who made profits five times bigger than the previous year, while most working-class people were catching hell in the Great Recession. If you are one of the gilded Americans whose earnings were more than \$50 million a piece last year, you actually saw your average income "skyrocket from \$91.8 million in 2008 to a mind-boggling \$518.8 million in 2009."

These guys - the group of 74 - made more than the combined total of the 19 million lowest paid workers in the country.

These findings and more are based on statistics recently released by the Social Security Administration and analyzed almost exclusively by David Kay Johnston, a Pulitzer Prize winning reporter. It's a surprise, even startling, that the media has said scarcely a word about this.

Johnston comments, "Not a single news organization reported this data when it was released October 15, searches of Google and the Nexis databases show" - a curious silence given the debate in Congress on extension of the Bush tax cuts.

The superprofits raked in by the 74 added up to a combined \$38.4 billion in 2009, up from \$11.9 billion earned by 131 individuals with wages above \$50 million in 2008, according to Social Security Administration data, writes Bloomberg news.

While the rich are growing fabulously richer - a fivefold increase in fact - wages for most of us fell, Johnston points out. Equally significant, he says, "Every 34th wage earner in America in 2008 went all of 2009 without earning a single dollar."

This massive transfer of wealth, he contends, began in 1981 when there was "an abrupt change in tax and economic policy. Since then the base has fared poorly while huge economic gains piled up at the very top, along with much lower tax burdens." Thus it was Reaganism and GOP policy that set these forces in motion, a process that has had a devastating impact on the working class both economically and ideologically. With the GOP winning the House Tuesday night, attempts will be made to undo pro-people reforms of the last two years. This must be fought tooth and nail.

With the GOP winning the House attempts will be made to undo the pro-people reforms of the last two years. This must be fought tooth and nail.

Riverwalk hospitality workers list demands

By Vivian Weinstein

On October 28, over 100 hotel workers from the Grand Hyatt and their supporters marched together with workers from the Hyatt Regency demanding changes to make hospitality jobs “sustainable, healthy work with a living wage all through our city,” according to Daniel Ovalle, a public areas attendant at the Grand Hyatt.

The Riverwalk is a tourist Mecca in central San Antonio. Over 106,000 workers are employed here by the hospitality industry, mainly in the hotels. Wages average \$8.50 an hour, which is \$1.50 per hour less than most of the country, according to the Bureau of Labor Statistics.

UNITE HERE launched “Voices of the Riverwalk,” a collection of hand written statements and demands by workers. The statements were attached to a giant paper banner which was held up by the workers as they marched. The writings described the difficulties and injustices of their work and the changes they are demanding.

Gregory Fox, a pastry cook, has worked for the Grand Hyatt for 10 years. He describes management as “cheap and mean.” He makes \$11.33 hourly. This is almost \$3 per hour less than in a unionized Hyatt. He says, “The Hyatt doesn’t want a union because it would cut into their profits.”

“The Grand Hyatt made \$970 million dollars in profits in 2009!” he continued.

The five biggest hotels in San Antonio, which include the Hyatts, also received \$250 million dollars in public subsidies.

“The taxpayers,” said George Ibarra, a Grand Hyatt cook, “have paid into these hotels and the jobs they provide should be decent for our investment.”

The march ended with a rally at the Hyatt Regency. Supporters of the union have been fighting



for an organizing process free of intimidation. Initially, union supporters were fired and then, after a legal battle, rehired at the Grand Hyatt. The Regency workers also demand fair treatment.

The most common complaint was the large amount of injuries caused by management’s forcing housekeepers to clean up to 30 rooms per day. Fox said that in the unionized Hyatts, only 16 rooms per day are required.

Gabriel Morales, a worker was fired for being less than five minutes late, said, “For thirty years the Regency has not listened to us. That is why we wrote on this big banner called Voices of the Riverwalk. They have taken a lot from this community and we demand that they listen to us.”

Roslyn Martinez, a phone operator, said she was told by the company how to sign up for Medicaid if she couldn’t pay her share of the insurance plan. Maria Soto, also a housekeeper, said her boss had called the women “wetbacks and cows.” She said, “We want to be treated with dignity. We are not animals! It is time to end the exploitation of San Antonio hospitality workers.”

The five biggest hotels in San Antonio, which include the Hyatts, also received \$250 million in public subsidies.

LOCAL NEWS

LOCAL CONTACT

contact@peoplesworld.org

Teachers protest misuse of pension fund

By Jim Lane

Texas teachers added their voices to the worldwide outrage over attacks against retirees at a rally here on October 25. Linda Bridges, Texas president of the American Federation of Teachers, called for the state legislature to investigate charges that investment decisions for the Teachers' Retirement System are being based on political influence rather than what is best for the fund and for teacher retirees. The allegations came from whistleblower Michael Green in an April, 2009, memo that recently came to light.

The Dallas Morning News has been explicitly charging Governor Rick Perry with allowing political cronies and campaign contributors to oversee parts of the giant retirement fund. Linda Bridges went on to demand that the legislature pass a bill allowing retired teachers more say-so in selecting the funds' trustees. The last session passed such a bill, Bridges said, but Governor Perry vetoed it. Bridges said that Governor Perry appoints the trustees! Other leaders of the teachers union pointed out that retired teachers in Texas have received no increase for ten long years. While more than 50 supporters shouted their encouragement, teachers union leaders listed the grievances of retired teachers and demands for redress.

Gene Lantz, gave a short synopsis of protests over retiree benefits around the nation and the world, including street riots in Greece and a general strike in France. "We are part of a worldwide struggle," he told reporters.

México: Reforma al Código de Justicia Militar

Por Oficina en Washington para Asuntos Latinoamericanos

El 19 de Octubre, el Presidente Felipe Calderón envió una iniciativa al Senado mexicano para reformar el código militar, un esfuerzo importante para hacerle frente a la impunidad histórica de la que ha gozado el Ejército por violaciones a los derechos humanos, pero que queda corto de lo que se esperaba de México, según la Oficina en Washington para Asuntos Latinoamericanos (WOLA).

"Éste es un paso importante, especialmente porque hoy en día el Ejército está presente en muchas ciudades del país y hay quejas de violaciones a los derechos humanos a diario", dijo Maureen Meyer, encargada del programa sobre México en WOLA. "Hasta el momento, la mayoría de las violaciones a los derechos humanos por parte del Ejército no han sido castigadas porque los casos siempre son tratados en las cortes militares".

A pesar de que esta medida limita la aplicación del fuero militar es positiva, no acaba de cumplir con lo que la Corte Interamericana de Derechos Humanos y la opinión pública exigen de México. La propuesta de reforma solamente incluye tres tipos de violaciones a los derechos humanos: tortura, violación y desaparición forzada. Esto significa que otros tipos de violaciones a los derechos humanos como la detención arbitraria, que por lo general lleva a

otro tipo de violaciones a los derechos humanos, y la privación arbitraria de la vida, como son los ya varios casos de civiles que no pararon en un retén militar y fueron asesinados a manos de soldados, quedarán excluidos y seguirán siendo juzgadas dentro de las cortes militares.

"Las víctimas de violaciones a sus derechos humanos por militares merecen una reforma integral al código militar para que sus casos sean juzgados por cortes civiles", dice Meyer. "Esperamos que el Congreso de México tome en cuenta estas consideraciones en su debate sobre la propuesta del Presidente Calderón".

Este debate no podría ser más importante. Como evidencia la publicación de WOLA y el Centro Prodh "Abusos y miedo en Ciudad Juárez", el despliegue de militares en operativos antidrogas ha resultado en un aumento alarmante de violaciones a los derechos humanos por los militares en contra de civiles. Ha habido por los menos 4,000 quejas por abusos de militares ante la Comisión Nacional de Derechos Humanos desde el inicio del gobierno del Presidente Calderón en diciembre de 2006.

"La falta de castigo a estas violaciones ha fomentado nuevos abusos y debilita la confianza de los ciudadanos en las fuerzas armadas", afirma Meyer.

NATIONAL CONTACT

Editorial: (773) 446-9920 Business: (212) 924-2523
Email: contact@peoplesworld.org