Workers expose extent of wage theft across job sectors

By Steve Share, Labor Review editor

MINNEAPOLIS — One worker after another, they described how employers failed to pay them for work they performed. They included a truck driver, a home health care worker, a retail cleaner and a school worker. All spoke at a roundtable April 26 hosted by the University of Minnesota Labor Education Service and moderated by Lieutenant Governor Tina Smith.

The forum highlighted the problem of wage theft in Minnesota and also pointed to legislation to improve enforcement when wage theft occurs.

“It is so completely wrong,” Smith said. “Wage theft is stealing.”

Lucila Dominguez, who spoke on the panel, shared how she worked for several retail cleaning contractors and “in every job… I had a wage theft.” Finally, she said, “I decided to stop changing jobs and change the job.” She became involved with CTUL — the Center for Workers United in Struggle — which has recovered thousands of dollars for wages owed to workers.

“We have a lot of workers who are undocumented who fear reporting wage theft,” said panelist Gladys Gutierrez-Anaya, an organizer for the St. Cloud-based Greater Minnesota Worker Center. At a poultry plant near St. Cloud, she reported, workers aren’t paid for the time it takes them to put on safety gear before and after their shifts — that is just a few minutes a day, but the time adds up, and the unpaid work time is wage theft.

“Because of fear of being deported, or losing their job, these people are being silenced,” Gutierrez-Anaya said.

Wage theft affects all workers in all sectors of employment.

Panelist Anna Gimberline told a story about custodial staff at a school who weren’t paid during their lunch break, but still were expected to respond at any moment to requests to take care of a problem. The workers realized that meant they were working during their lunch break but not being paid. Through their union, the workers won a change so their lunch time now is paid. And, she added, “we’re now fighting for back pay to get us the money we are owed.”

“We’re fighting back with our union to hold our employer accountable,” Gimberline said, “but too many workers do not have a union.”

Latonya Hughes, a personal care attendant, described how she and co-workers who worked for Crystal Care were left with unpaid wages when the company filed for bankruptcy. “I worked for six weeks with no pay,” she said, because of her dedication to her patients and false promises from the employer that a paycheck was coming. “Wage theft is real,” she said.

“It’s important we all work together to stop this from happening,” said Steve Saterlee, a member of Teamsters Local 120. He shared the story of the abrupt closing of Lakeville Motor Express in November 2016, which left 95 workers out of work — and without the pay they were owed for their last two weeks of work. “I’m still very angry about what happened,” he said. “I’m asking our legislators, please, do what’s right for the people of our state.”

“Right now, our enforcement at the state is woefully underfunded and under-staffed, acknowledged Rep. Tim Mahoney (DFL-St. Paul), who spoke on the panel. “40,000 people get money stolen from them every year.”

Mahoney summarized legislation currently before the Minnesota legislature WAGE THEFT page 13
Wage theft: impacts 40,000 in state

continued from page 7

that aims to address wage theft (HF1391, SF1329).

The legislation would:

- Define wage theft as a crime and increase fines and penalties;
- Invest $1 million in the Minnesota Department of Labor and Industry to investigate wage theft and enforce state law;
- Provide power of subpoena to DLI to gather employer records;
- Create criminal penalties for willful and repeated violation of wage theft laws.

Sen. Jason Issacson (DFL-Shoreview) said a committee hearing on the wage theft bill featured “gut-wrenching tales of people put in impossible situations when they were following the rules.” He said it’s “absolutely” clear that state government needs to step in to address wage theft.

“We need more help,” said Ken Peterson, commissioner of the Minnesota Department of Labor and Industry, also a member of the panel. “We need assurance that people not lose their jobs because they report being cheated.”

Rep. Mahoney encouraged people to contact their state legislators to urge support for the wage theft legislation.

“When wage theft happens, it could be sudden, it could be part of a business model,” said Burt Johnson, attorney for the North Central States Regional Council of Carpenters.

“There are so many ways employers can steal from their employees, whether it’s five minutes at a time or two weeks at a time,” Lieutenant Governor Smith said.

As the Labor Review went to press May 19, the proposed wage theft legislation was stalled in committee.

Teamsters seek full due of justice from trucking firm

BLAINE — At an emergency meeting called May 3, workers who lost their jobs and unpaid wages when Lakeville Motor Express abruptly closed last November met to discuss an unofficial settlement proposal.

“We had a long discussion,” reported Teamsters Local 120 president Tom Erickson. “The consensus was the wages weren’t enough. We wanted the wages, the earned and accrued sick time and vacation time.” He said the average loss for the 95 workers was about $3,000 each.

Erickson said daily picketing would continue at LME’s successor company, Finish Line Express. “We will not be leaving that picket line until LME/FLE honors the contract,” he said.

Workers Memorial Day honors the fallen

ST. PAUL — Observed nationwide, Workers Memorial Day, April 28 in St. Paul remembered four Minnesota workers who lost their lives in a workplace accident or due to work-related causes.

The Minneapolis and St. Paul Building and Construction Trades Councils organized the event, which took place at the Workers Memorial Garden on the Minnesota State Capitol grounds.

The workers who were remembered: John C. Schaffer, Jr., member of Steamfitters-Pipefitters Local 455, who died from mesothelioma; Nicholas Jamesich, member of Operating Engineers Local 49, who died in a heavy equipment accident; Andrew B. Loyes, member of Sheet Metal Workers Local 10, who died from asbestosis; and James Leonard Anderson, member of Sheet Metal Workers Local 10, who died from mesothelioma.

This year’s ceremony also honored former Minnesota AFL-CIO president David Roe and his wife Audrey, who both died in the past year. Roe was a driving force in passing workplace safety laws both in Minnesota and nationally. He also led the effort to create the Workers Memorial Garden.

“We remember the dead and fight like hell for the living. That’s what Dave Roe did,” said Ken Peterson, commissioner of the Minnesota Department of Labor and Industry, one of the speakers at the event.

Two Autumn Brilliance Serviceberry trees were planted on each side of the Workers Memorial Garden’s stone mural, one tree to honor David Roe, one tree to honor Audrey Roe.

Photo above: Heads bowed in silence to honor four union workers remembered at this year’s Workers Memorial Day observance. More photos: facebook.com/minneapolisunions.