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DEPARTMENT OF CONSUMER AFFAIRS' OFFICE OF LABOR POLICY & STANDARDS RELEASES REPORT AND SURVEY RESULTS ON THE STATE OF WORKERS' RIGHTS IN NEW YORK CITY

The Report Highlights the Many Challenges Facing Today's Workforce and Reviews City's Innovative Policy & Enforcement Approaches to Help NYC Workers Realize a New Generation of Workplace Protections

NEW YORK, NY – The Department of Consumer Affairs (DCA) Commissioner Lorelei Salas today announced the release of a report by its Office of Labor Policy & Standards (OLPS) titled "<u>The State of Workers' Rights in New York City</u>," which details emerging gaps in labor protections and offers policy solutions to these growing concerns. Accompanying the report is: "<u>Working in NYC: Results from the 2017 Empire State Poll</u>," a joint collaboration between OLPS and the Worker Institute at Cornell's ILR School to survey New Yorkers on a range of issues related to inequality, working conditions, and the role of city and local government in protecting immigrants and defending worker rights. Together, these materials provide critical insight into the growing need for OLPS to develop innovative policies that raise job standards and expand its educational resources to workers and employers alike.

"The State of Workers' Rights in New York City" summarizes the testimony of 110 workers given during a <u>public hearing</u> in April 2017 that was convened by DCA, in collaboration with the New York City Commission on Human Rights and the Mayor's Office of Immigrant Affairs (MOIA). Through their testimony, workers articulated the many challenges and concerns facing immigrant, paid care, and contingent workers. Their personal narratives reveal a pattern of egregious workplace violations affecting a diverse range of industries, demonstrating that wage theft, harassment, and discrimination are not limited to low-wage industries, but increasingly pose threats in traditionally higher-paying jobs as well, including writers and academics.

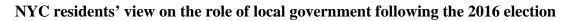
"Through innovative legislation and proactive enforcement, this administration has led the nation in the fight for stronger labor protections for vulnerable workers," said **DCA Commissioner Lorelei Salas**. "This report provides a worker-centered look into the everyday challenges plaguing New York City workers, and offers informative solutions for filling the gap in workers' rights and protections left by the federal government. DCA is committed to making sure that all New Yorkers are protected by workplace laws including minimum wage, overtime, and paid sick leave to ensure that they are being paid for their hard work and are able to achieve financial stability."

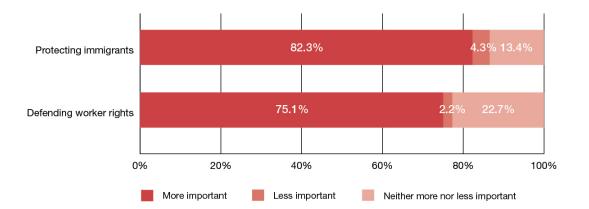
Key takeaways from the testimony include:

• Immigrant workers face exceptional challenges in asserting their rights under the law.

Though most workplace laws apply regardless of a worker's legal status, workers who are insecure about their status are naturally more hesitant to make demands of their employer or reach out to the government or courts for assistance. Santiago Torres, who works as a day laborer in the construction industry, described the increasingly hostile anti-immigrant climate during his testimony. When confronting an employer who failed to pay him his wages, he was told that "he couldn't pay anything because I didn't have any rights in this country."

- *Paid care workers provide critical services but are undervalued and vulnerable to abuse.* Maria Aguilar, a member of the Workers Justice Project spoke of the humiliation she felt waiting to get work as a day laborer in the domestic work industry: "The bosses would look at us as if we were slaves and we lived a lot of discrimination."
- Contingent workers suffer from irregular employment and face unique obstacles in holding employers accountable.
 In the 2017 Empire State Poll, conducted by OLPS in collaboration with the Worker Institute at Cornell's ILR School, 12.6 percent of working New Yorkers reported that their work hours vary week-to-week and are outside of their control.
- *Wage theft is pervasive and wage and hour law enforcement is inadequate.* Models, writers, adjunct professor, and other white-collar workers testified that blatant wage theft is not limited to low-wage industries, but has also clearly taken root in traditionally higher-paying jobs. An associate producer working in nonfiction television, for example, testified that his bosses forced him to work off the clock without pay and told him that he could not receive paid overtime, no matter how long he worked.





Workers and advocates voiced near-universal consensus that immigrant New Yorkers are more fearful than ever following recent actions in Washington. During their testimony, immigrant workers described how employers in a range of industries take advantage of their immigration status to withhold pay and commit other workplace violations. "Working in NYC: Results from the 2017 Empire State Poll" indicates an overwhelming majority of New York City residents

want the City to be more protective of workers (**75 percent**) and immigrants (**82 percent**) following November's election.

OLPS' report combines the hearing record with economic data and analysis to produce a clear understanding of the gap in workers' rights and protections left by the Trump Administration. Despite the addition of 300,000 jobs in New York City and recent increases in the minimum wage, this public record shows that labor violations remain widespread and undermine workers' ability to benefit from these economic improvements. Many freelance, independent contractors, retail, and food service workers spoke about unpredictable schedules, abrupt shifts in income, and the difficulties they face in holding their employers accountable for unpaid wages and working conditions. The 2017 Empire State Poll results report that 13 percent of working New York City residents reported not being paid what they were owed last year and six percent reported being paid below the minimum wage. The City is working to address these concerns through legislation such as the Freelance Isn't Free Act, which for the first time creates a robust statutory scheme for freelance workers to recover unpaid wages. Under the Law, freelance workers can now file a complaint with OLPS, which will also provide court navigation services to freelance workers pursuing their claims in court and survey freelance workers about their experiences pursuing their claims under the Law in court. In 2017, OLPS is also set to implement the City's Fair Workweek legislation that takes aim at abusive practices in the retail and fast food industries by requiring that fast food employers give workers advance notice of their work schedules, including, at the start of their employment, an estimate of their hours and schedules, and regular written and accurate schedules from then on.

Workers also testified about the need to prioritize the home healthcare industry, which is plagued with exploitative working conditions and the isolation of working in private homes. OLPS is addressing these concerns through the City's new <u>Paid Care Division</u>, which is dedicated to defending the rights of paid care workers, improving the quality of paid care jobs, and strengthening the paid care system. OLPS is taking proactive measures to investigate industries with high levels of complaints; in July 2017, OLPS <u>launched</u> an investigation into nearly 40 home healthcare agencies across the city that represent upwards of 33,000 workers. The shift to this strategic enforcement model will help address many of the wage and hour abuses that workers voiced in their testimony.

The testimony shows that there is a strong need for increased educational outreach for both employers and employees – workers who are aware of their rights are more likely to take action and seek help. DCA is committed to educating immigrants about the many City resources available to workers regardless of their immigration status to help ease fear and uncertainty.

"As this timely report lays bare, workplace discrimination and harassment continue to rise across New York City, especially among our city's most vulnerable communities," said **Carmelyn P. Malalis, Chair and Commissioner of the NYC Human Rights Commission.** "Fortunately, New York City has one of the strongest anti-discrimination laws in the nation which protects everyone in the workplace, regardless of their national origin, immigration status, gender, and sexual orientation, among other categories. The NYC Commission on Human Rights continues to dedicate staff and resources to fight employment discrimination and to educate New Yorkers on their rights and how to seek help if they have been the victim of discrimination. I commend the Office of Labor Policy and Standards of the NYC Department of Consumer Affairs for its partnerships and commitment in this area and look forward to continuing our work together so that all workers in New York City get the respect and dignity they deserve."

"It's critical that the Mayor's Office of Immigrant Affairs has its finger on the pulse for issues facing immigrant New Yorkers, including in the workplace," said **Kavita Pawria-Sanchez**, **Assistant Commissioner of the Mayor's Office of Immigrant Affairs**. "By working with our partners in local government on the "State of Workers' Rights in New York City" report, the City is exposing the ways vulnerable workers are being shortchanged and abused, so that we can right wrongs and break down barriers to economic stability. New York City does not tolerate harassment, intimidation, or discrimination against our workers on the basis of their immigrant New Yorkers know how to take action in defense of their rights. We applaud our colleagues at the Office of Labor Policy & Standards for their diligent work compiling this report and their strong enforcement of the city's groundbreaking laws safeguarding workers' rights."

"I was proud to sponsor Paid Sick Leave, the Fair Chance Act, and New York City's law protecting domestic workers, but good laws are only the first step in guaranteeing workplace fairness," said **Manhattan Borough President Gale A. Brewer**. "Robust enforcement, thorough outreach, and creativity in the face of a federal government hostile to working Americans are what's needed. I commend the mayor and the Department of Consumer Affairs for producing this report, holding the hearing that led to it, and continuing to find new ways to protect New Yorkers in the workplace."

"From fast food workers, to home care workers, to construction workers, and everyone in between, NYC is here for you," said **Council Member Espinal, Chair of the Committee on Consumer Affairs**. "In this time of national tension and insecurity it is ever-more essential that we protect our labor force, institute constructive policies to support workers, and empower employees. I applaud DCA for staying laser focused on these issues and for producing this report."

"Despite living in a City whose policies demonstrate its appreciation of their contributions, the over four-million men and women that make-up our city's workforce find themselves under direct threat by a presidential administration that is openly hostile towards efforts to prevent their exploitation," said **Council Member I. Daneek Miller, Chair of the Committee on Civil Service and Labor**. "Now more than ever, our City must vigorously affirm the rights and protections entitled to these New Yorkers, and hold abusive companies and employers accountable for engaging in practices that deny our workers the provisions they're eligible for under the law. I want to applaud Mayor de Blasio and Department of Consumer Affairs Commissioner Lorelei Salas for convening the hearing last spring that produced today's report. Its findings highlight the need for us to redouble our efforts to promote fairness and equity in the workplace, and ensure every New Yorker has the opportunity to achieve a decent standard of living through a hard day's work."

"DCA's Office of Labor Policy and Standards' efforts to understand the challenges that workers face and enforce new, innovative protections at the local level sets a model for what progressive

Cities all over the country can do to defend and advance worker rights," said **Council Member Brad Lander, Deputy Leader for Policy of the New York City Council.** "It is clear that Commissioner Salas and Director Vladeck are not just building a strong local enforcement agency to implement new labor standards – including running the City's Paid Care Division and enforcing Paid Sick, Freelance Isn't Free, and Fair Work Week legislation – they are breaking new ground in the way that municipalities can continue to advance progressive policy in a Trump regime."

"The Worker Institute at Cornell ILR is very pleased to work with OLPS on this research into the challenges facing many New York City workers," said **Ileen DeVault, Professor of Labor History at Cornell's ILR School and Academic Director of the Worker Institute at Cornell**. "The findings on what New Yorkers think about local government action to protect immigrants and worker's rights suggest broad public support for OLPS' mandate."

"The OLPS's findings show that there is still so much work to be done to protect working people in New York City from wage theft, immigration issues, and health and safety – to name only a few," **said Stuart Appelbaum, President of the Retail, Wholesale and Department Store Union.** "Together, we must work to ensure that our government has the laws and provisions in place to protect working people and today's findings are a good first step in understanding the full scope and magnitude of the work before us. Working people in New York City are fortunate to have OLPS working to protect them."

"As working people and immigrant communities face unprecedented threats from the Trump Administration, it is vitally important that NYC plays a leadership role in strengthening and protecting workers' rights," said **Hector Figueroa**, **President**, **Service Employees International Union 32BJ**. "32BJ is proud of the role it has played in advocating for many of the initiatives that have lifted wages and broadened protections for working men and women in NYC, including the fight for \$15, access to paid sick days, fair workweek protections for fast food and retail workers and an innovative law empowering fast food workers to form an organization of their choice. But along with strong protections there must be smart and strong enforcement. We applaud Mayor de Blasio, Commissioner Salas and the Office of Labor Policy and Standards for engaging workers and advocates to assess the state of working New Yorkers, acknowledging the challenges we all face and thinking creatively and collaboratively about what the city can do to address those challenges and realize the promise of the rights we have won and those we continue to fight for."

"As this report reveals, despite having won some of the highest labor standards in the country like a \$15 hour minimum wage and paid family leave, New York City's workers – and immigrant workers in particular – are faced with an increasingly precarious landscape: exploitative employers emboldened by Trump's anti-immigrant agenda; legal loopholes that circumvent the effectiveness of our labor laws," said **Meg Fosque, Director of Low-Wage Organizing**. "This reality makes OLPS's creative and strategic approach to defending workers' rights all the more imperative. We look forward to continuing to partner with the Office in advocating for all of New York City workers."

"With an administration in Washington extremely hostile to immigrant workers and working people generally, the City must take principled and creative action to protect the rights of embattled low-income families," said **Daniel Gross, founder and executive director of Brandworkers**. "In these extraordinarily harrowing times, DCA OLPS's approach of listening to workers and partnering with communities on multi-dimensional solutions could not be more important."

"The 'State of Workers' Rights in New York City' report exposes the crisis and epidemic afflicting low-wage immigrant workers across New York City, while highlighting a number of initiatives that aim to create better workplace standards," said **Ligia Guallpa, Executive Director, Workers Justice Project**. "Although some progress has been made in protecting immigrant workers who are the backbone of our communities and economy, we still have a long way to go. Worker's Justice Project will continue to work with allies and city government to defend worker rights – from wage theft, unsafe working conditions, exploitation of domestic workers, day laborers and beyond."

"The paid care workforce undergirds NYC's childcare and long-term care infrastructure," said **Irene Jor, New York Organizer, National Domestic Workers Alliance**. "Direct-care workers, nannies, and house cleaners are critical to countless working professionals and households. Historically this workforce has been marginalized to the extreme, and this legacy lives on in many ways. OLPS has stepped up to root out the systemic violations that we see in overlapping industries. And more importantly the office strives to model a more cohesive, multi-jurisdictional worker rights enforcement system that engages community partners as key, and necessary collaborators. Along with OLPS, we must all move towards a system that values the contributions, and protect & defend the human rights, of the foreign-born, immigrant workforce."

"Like other low wage workers, Filipino domestic workers continue to suffer from a wide range of workplace abuses and violations: wage theft, inadequate and unstable employment and lack of respect from bad employers," said **Linda Oalican, Executive Director, Damayan Migrant Workers Association**. "Based on our experience, the most exploited and oppressed among workers are the trafficked domestic workers, working in extreme isolation in their trafficker's homes. The Trump administration has instilled an unprecedented level of fear and uncertainty among immigrant workers, particularly the undocumented. We are organizing to fight back and we are inspired by the joint initiative of OLPS, the Commission and MOIA in grounding their efforts to address the abuses and injustice being inflicted against workers. We hope that workers and grassroots organizations will be recognized as stakeholders and decision-makers in fighting for just and fair labor standards and dignity."

Through DCA, the de Blasio Administration continues to lead the nation on advocacy around the importance of municipal workplace rights and protections. OLPS is the largest municipal labor standards office in the country with a robust staff of attorneys, investigators, outreach and education specialists, as well as research and policy analysts. OLPS enforces, implements, and works on the development of a new generation of minimum labor standards for a stronger city. It focuses on ensuring all workers can realize these rights, regardless of immigration status. OLPS is implementing and/or enforcing a number of municipal workplace laws, including the <u>Paid Sick</u>

<u>Leave Law</u>, the <u>Freelance Isn't Free Act</u>, <u>Commuter Benefits Law</u>, the City Living and Prevailing Wage Laws, the Grocery Workers Retention Act, the new <u>Paid Care Division</u>, and will soon expand its reach to include the Mayor's signature Fair Workweek initiative to address scheduling practices in the fast food and retail industries when those laws take effect in November.

The NYC Department of Consumer Affairs (DCA) protects and enhances the daily economic lives of New Yorkers to create thriving communities. DCA licenses more than 81,000 businesses in more than 50 industries and enforces key consumer protection, licensing, and workplace laws that apply to countless more. By supporting businesses through equitable enforcement and access to resources and, by helping to resolve complaints, DCA protects the marketplace from predatory practices and strives to create a culture of compliance. Through its community outreach and the work of its offices of Financial Empowerment and Labor Policy & Standards, DCA empowers consumers and working families by providing the tools and resources they need to be educated consumers and to achieve financial health and work-life balance. DCA also conducts research and advocates for public policy that furthers its work to support New York City's communities. For more information about DCA and its work, call 311 or visit DCA at <u>nyc.gov/dca</u> or on its social media sites, <u>Twitter</u>, <u>Facebook</u>, <u>Instagram</u> and <u>YouTube</u>.

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