

EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

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Chairman Miller Statement at Committee Hearing On "Is the Department of Labor Effectively Enforcing Our Wage and Hour Laws?"

WASHINGTON, D.C. – *Below are the prepared remarks of U.S. Rep. George Miller (D-CA), chairman of the House Education and Labor Committee, for a committee hearing on "Is the Department of Labor Effectively Enforcing Our Wage and Hour Laws?"*

Good morning.

This year, in our country, millions of workers will be robbed of their hard earned wages.

There are many ways an unscrupulous employer can cheat a worker out of the wages he or she earns. Employers might pay less than the minimum wage, refuse to pay overtime when employees work more than 40 hours a week, or require employees to work off the clock. And, some employers never pay their employees at all.

Simply put, this is theft. And it is illegal.

No industry or locality is immune from this crime.

Wage theft affects everyone from poultry workers to construction workers, nursing home employees to retail employees, farm workers to landscapers.

Last month marked the 70th anniversary of the enactment of the Fair Labor Standards Act. The FLSA requires employers to pay their workers at least the minimum wage and at least time-and-a-half for working overtime. The law also bans the use of child labor.

Thanks to the FLSA, the Department of Labor is armed with many tools to fight wage theft and protect workers. It can receive and investigate complaints. The Department can target entire industries that habitually violate the law for audits and investigations. It can recover back pay and liquidated damages for employees, and obtain civil money penalties against employers that break the law. And, the Department of Labor can even stop the shipment of the goods produced by law-breaking employers.

The purpose of today's hearing is to examine whether the Federal Government is doing enough to stop wage theft. We will hear directly from the Department of Labor's Acting Wage and Hour Administrator about what the agency is or is not doing to safeguard hard-earned wages.

This committee has heard frequent reports from workers and their advocates that the Department of Labor is failing to effectively advocate on behalf of workers whose wages have been stolen.

These accounts range from the Department having weak enforcement policies to the Department having outright aversions to soliciting workers' complaints.

Unfortunately, the workers most vulnerable to wage theft are also bearing the brunt of these uncertain economic times. These families still have rent to pay, mouths to feed, children to clothe, and medicine to buy.

For these reasons, I asked the Government Accountability Office to conduct an investigation into the effectiveness of the Department of Labor's enforcement of our wage and hour laws.

Today, we will hear the results of two investigations. Both investigations show that the Department of Labor is failing to adequately prevent or punish wage theft.

Although the Department of Labor currently has the necessary tools to fight wage theft, the GAO investigation suggests that the problem of wage theft is only getting worse because of weaker enforcement.

The GAO will highlight the fact that actions initiated by the Department on wage and hour violations have plummeted from approximately 47,000 in 1997 to fewer than 30,000 in 2007.

And, in too many cases, investigators from the Wage and Hour Division simply drop the ball in pursuing employers that cheat their employees out of their hard earned wages.

We expect to hear recommendations for how the Department can do a better job of enforcing the law.

We owe it to all hard working Americans to ensure that the federal government lives up to its responsibility to guarantee that families are not being cheated out of their wages by bad employers.

I thank all of our witnesses for being here today and I look forward to their testimony.

Thank you.

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