



COMMUNITY
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FOR IMMEDIATE RELEASE: June 1, 2016

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**SAN MATEO NEEDS STRONG ENFORCEMENT PROVISIONS TO MAKE
MINIMUM WAGE LAW EFFECTIVE, NEW STUDY FINDS**

***Wage Theft Is A Serious and Unchecked Problem for Low-Wage Workers in San Mateo
County***

East Palo Alto, CA — A new report released this week documents how wage theft—which occurs when workers are paid less than the law requires—is a pervasive obstacle to upward mobility for low-wage workers in San Mateo County. The report, authored by attorneys at Community Legal Services in East Palo Alto, concludes that wage theft is one of the chief contributors to inequality in Silicon Valley, preventing many workers from moving up the economic ladder.

The report is the first to assemble comprehensive data on wage claims in San Mateo County from 2005 to the present. According to the report, since 2005 county residents have filed over 7,000 wage theft cases, seeking over \$14 million in unpaid wages and associated penalties. Based on this large data set, the report’s authors estimate that between 10,800 and 23,700 low-wage workers in the County have experienced wage theft *within the past week*. Wage theft—whether it comes in the form of unpaid overtime, forced off-the-clock work, or denied meal breaks—has been shown to consume up to 15% of a low-wage worker’s salary, a deduction hard-working families can not afford.

The report is released as the City of San Mateo considers raising its local minimum wage to \$15/hour by 2018. A final vote is expected in June. The City Council must decide whether to include strong enforcement mechanisms in the new ordinance, as many other Bay Area cities have done, which would increase the city’s ability to conduct inspections of employers who violate the law and process complaints of victimized workers. The report recommends that San Mateo allot sufficient funds for enforcement personnel and work with community groups to educate workers about their new legal rights. The report further recommends that San Mateo partner with San Francisco or San Jose, which have already established their own enforcement agencies and have expertise in effective enforcement.

“The biggest difference between local minimum wage ordinances that succeed and those that fail is whether they take enforcement seriously from day one,” said Scott Hochberg, an attorney at Community Legal Services in East Palo Alto and lead author of the report. “As the cost of living in the county soars, a minimum wage increase is meant to target low-wage earners who are feeling the pressure to make ends meet. The most effective way to ensure

those workers actually receive the raise the law promises is for the city to employ enough enforcement officials to process complaints and investigate businesses that do not comply.”

The City of San Mateo is the first in the county to consider an increased local minimum wage. “San Mateo has the chance to set the standard for local minimum wage laws across the County. This report makes clear that effective enforcement must be a priority for San Mateo and other jurisdictions that follow,” said Hochberg.

The full report can be accessed at this URL: <http://www.clsepa.org/wp-content/uploads/2016/05/CLSEPA-Report-Wage-Theft-in-San-Mateo-County-June-2016.pdf>