
EDUCATION & LABOR COMMITTEE

Congressman George Miller, Chairman

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Chairman Miller Statement at Committee Hearing On “GAO’s Undercover Investigation: Wage Theft of America’s Vulnerable Workers”

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 “GAO’s Undercover Investigation: Wage Theft of America’s Vulnerable Workers.”*

The Committee on Education and Labor meets this morning to examine the results of a Government Accountability Office undercover investigation last year into practices of the Wage and Hour Division of the Department of Labor.

In our first hearing on wage theft in July, we learned that millions of workers are robbed of their hard earned wages every year.

GAO testified that the very agency tasked to fight wage theft had failed to effectively investigate and properly track a number of cases involving our nation’s minimum wage, overtime, and child labor laws.

In fact, GAO cited 15 case studies that showed the failures of the agency to fully investigate and properly address violations of the law.

Hundreds of cases were found where the agency did not assign an investigator for more than a year after the initial complaint. Delays effectively deny justice because of the two year statute of limitations on wage theft.

As a result of their initial investigation, the GAO concluded that thousands of complaints handled by the Wage and House Division were likely mishandled over the past decade. These failures likely resulted in workers receiving little or no restitution at all from their employer.

In light of these initial findings, the committee asked the GAO to continue its investigation and dig deeper to see whether the highlighted cases were isolated or a symptom of a larger problem throughout the agency.

This morning, the GAO reports back to the committee on what they learned during their undercover investigation.

From today's testimony, it is clear that there are serious problems with the Wage and Hour Division's ability to effectively enforce the law. The agency has dropped the ball in far too many cases in pursuing employers that cheat their workers out of their hard earned wages.

Some Wage and Hour employees explicitly discouraged GAO undercover investigators posing as workers from filing complaints. Other complaints went unanswered.

Anonymous tips of children illegally operating dangerous machinery did not get investigated at all. Not only was this allegation never investigated, but the complaint did not appear in the agency computers that are used to track cases. Dropping the ball in child labor complaints could be potentially deadly.

I wish this was an isolated incident.

The GAO found that time and again, complaints were routinely brushed aside, improperly tracked, or inadequately investigated.

I am concerned about the pattern of inaction in properly addressing thousands of cases involving overtime, minimum wage, and child labor violations. Because these violations of the law are not trivial.

Those most vulnerable to wage theft are likely bearing the brunt of our nation's economic crisis. Families where a breadwinner has his or her wages stolen still have rent to pay, mouths to feed, children to clothe, and medicine to buy. They can't afford to be paid less than what the law says.

Simply put, when a business pockets wages due to its workers, it is theft. And it is illegal.

Today's testimony will help inform Congress and the new leadership of Department of Labor on whether additional resources, better training or improved statutory language are needed.

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 unscrupulous employers.

Ultimately, I believe that improving the Wage and Hour Division will come down to strong leadership and a renewed commitment to enforce the law.

I am confident that the Obama administration and Secretary Solis are committed to turning this egregious record around and ensuring that all workers are treated fairly by their employers and their government.

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