

Talking Points for Low-Wage Hearing Testimony
People Organizing for Worker Empowerment and Respect
(POWER)
by Luis Torres, Organizer

Thank you to the panelists and the Rochester Labor Council AFL-CIO, for inviting me to share with you the Worker Center model as a possible strategy for “Lifting Low-Wage Workers Out of Poverty.” I would also like to thank the members of the Advisory Committee of POWER: their work and thinking is the basis for much of this presentation.

I must admit that I accepted the invitation with hesitation as this strategy relatively new, especially in terms of POWER: People Organizing for Workers Empowerment and Respect. I am here today because the Worker Center model, at its best, can expand the work of those fighting for workers' rights. To do so, it requires a mutual collaboration with the established progressive structure. I take this opportunity to present on Worker Centers in the hope of starting this dialogue.

1) The Nation

Low wage and immigrant workers are particularly vulnerable to poverty wages, wage theft, discrimination, retaliation, dangerous working conditions, temporary, contingent, and part-time work, under-employment, and job insecurity. A majority of the jobs lost during the recession were mid-wage occupations like manufacturing and construction, while growth industries were predominantly low-wage jobs like food service, retail, and home health care. In fact, seven of the top ten growing occupations over the next ten years will be in low wage occupations. Raising workplace standards for the most vulnerable workers is increasingly important as more and more working families

rely on poverty wages to get by. When working families cannot pay for basic needs, it weakens local economies and economic recovery. When employers violate employment law with impunity, law-abiding employers cannot compete, creating a race to the bottom — more low-wage jobs and ever-worsening labor standards.

Millions of low-wage and immigrant workers fall victim to wage theft, are routinely paid less than the minimum wage, denied overtime pay, forced to work off the clock, subject to illegal deductions, misclassified as independent contractors, or not paid at all. A landmark survey of low-wage workers in New York, Chicago, and Los Angeles revealed that wage theft is a frightening epidemic. Twenty-six percent of the workers surveyed had minimum wage violations in the prior week and 76% experienced overtime violations. Workers were robbed of 15% of their earnings, amounting to \$56.4 million every week in these three cities alone. All workers have the right to be paid the wages they work so hard to earn.

Low-wage and immigrant workers are employed in the most dangerous jobs in the country and suffer disproportionately high rates of workplace injury and illness, face retaliation, and go without adequate treatment or compensation. In 2008, 5,214 workers were killed on the job (14 workers a day) and about 50,000 workers died from occupational diseases. There are 9 to 14 million job injuries annually, with only 4.6 million being reported. Regardless of their occupation, workers have the right to health and safety on the job and workers' compensation.

Many more workers are subject to discrimination on the job based on race, gender, disability, and other protected statuses. A poor job market brings to bear the often hidden prejudicial side of employers who can afford to be especially selective in hiring. All workers are entitled to work free from discrimination and bias.

2) Rochester

According to the US Census Bureau, 31.1% of Rochester's

approximately 210,565 citizens live below the federal poverty line. That's more than 65,000 people. What's worse, 46% of our city's children are included in this army of the poor, more than double the national rate. Behind only Detroit, Hartford, Cleveland and Dayton, Rochester is the United States' 5th poorest city. In the wake of an economic crisis that shook the country's foundation, we must realistically assess the extent of the damage to our city's people in order to rebuild.

A first glance shows cause for optimism. Rochester's rate of unemployment continues to decline, keeping well ahead of the national average. At 6.3% official unemployment as of November 2013, Rochester is clearly working. Despite being nearly a full percentage point lower in unemployment, Rochester's poverty rate is more than double the national rate of 15%. To make the matters worse, the federal poverty line is in many ways an inadequate metric and likely paints a rosier picture than the reality.

What we can conclude from this evidence of record poverty in the face of low and still-declining unemployment is that Rochester is working hard, too hard in fact. The people of Rochester are working, they have jobs. They have low-paying jobs. We are a city of the poor precisely because we are a city of poverty wages. The Center for Women's Welfare calculated a Self-Sufficiency Standard (SSS) in 2010. It measures the level of income necessary for households in New York State to meet basic needs without public assistance. Monroe County's SSS for a one parent, one infant household is \$37,151, which exceeds Rochester's 2011 median income of \$28,963 and is more than double a full-time minimum-wage worker's annual income of on \$16,640. Thirty-four percent of Rochesterians — 29,283 people — live on \$20,000 or less annually as of 2009. A whopping 49.4% lived on \$30,000 or less

that same year, making it safe to assume that a majority of Rochesterians live on wages that are less than needed to provide for their families.

In order to survive, many Rochesterians work two or even three jobs, often with more than one at full-time hours. Sometimes even this is insufficient to leave behind the need for various forms of public assistance. Many of the consequences of this economic reality are obvious, some are less so.

When workers work so hard, so long, and for so little pay there is less time to engage in other aspects of personal life. Helping children with homework and maintaining a family have positive repercussions that ripple through the educational, work, and legal arenas. Children who grow up poor are far more likely to grow up to be poor themselves.

Workers that are paid less, have less, and are less secure in what they have they tend to spend less, and spend in ways that stimulate the general economy less effectively. The marginal propensity to consume is tied to real wages (income relative to consumer prices) and drives demand in the broader economy. When economic demand is depressed by poverty wages, businesses of all kinds suffer, and thus employ fewer workers, pay lower wages, or raise prices (which on a large scale decreases real wages). All of these outcomes worsen and deepen poverty and economic decline.

Wages are only one of a number of ways in which businesses affect the economy. Workplace safety, discrimination, sexual harassment, and tax misclassification, among other things, have far-reaching economic effects. When employers choose to violate legal standards, competitive pressure on law-abiding businesses increases to

do the same. Occupational safety standards, for instance, are a businesses cost. If one business ignores its workplace safety obligations, it obtains a competitive advantage over other firms that do not.

With only 6.9 % of the private sector labor force unionized, the remaining 93.1% of private sector workers have no one to advocate on their behalf and little, if any, knowledge about their workplace rights. While there are a few community-based organizations in Rochester that provide job training and job placement for unemployed there is nowhere workers can turn to for advocacy and support with workplace problems or for training about their rights and how to assert them.

Most government agencies charged with the enforcement of workplace standards are underfunded and understaffed, lacking capacity for comprehensive enforcement. Workplace grievances have historically been handled through collective bargaining and union representation. With only 5.8% of Rochester's private sector labor force unionized, however, the remaining 94.2% of private sector workers are unrepresented, with limited knowledge of their workplace rights, and lacking the mechanism for enforcing their workplace rights. Job training organizations in Rochester, moreover, do not focus on providing workers with workplace advocacy skills. Aside from existing unions, there is nowhere workers can turn for advocacy and support with workplace problems, or for training about their rights and how to assert them. In a city of working families struggling to stay afloat in tough economic times, a new approach is needed.

3) POWER: The Worker Center option to raise wage workers out of poverty.

In her paper, *Worker Centers: Organizing Communities at the Edge of the Dream*, Janice Fine explained that worker centers are community-based organizations engaging in services, advocacy, and organizing to support low-wage workers. Fewer than five centers

existed in 1992; now there are over 200. It is useful to know more about what worker centers are and do.

The majority of worker centers have developed to serve immigrants, though others serve African-American communities and other constituencies. Worker center strategies targeting a single employer have focused mainly on filing wage claims and job actions at worksites to recover unpaid wages. “Other centers have pioneered the creation of independent unions. This is most often the case among workers for whom a union does not already exist, such as cabbies, or where existing unions are reluctant to organize, such as in restaurants.”

There is wide variation among worker centers in terms of program goals and emphasis. “Unlike unions, their focus is not organizing for majority representation in individual worksites or for contracts for individual groups of workers.” Instead, “[a]lthough they share many of the same goals, worker centers do not conform to a single organizational model. Because of this, centers can be seen through a variety of theoretical lenses—as social movement organizations, labor market institutions, or a new organizational form that is a combination of the two.”

How will POWER advance community labor organizing and serve as part of the solution to Rochester’s poverty and economic stagnation? Worker Centers are community organizations made up of worker and community membership that organize, advocate, and campaign for the workplace needs of working people within a geographic area. Worker Centers are not unions and do not seek legal recognition to engage in collective bargaining. Accordingly, they are not subject to the same union-led secondary boycott restrictions that unions must adhere to. Worker Centers organize workers that have been hard to organize, such as farm, domestic, and retail workers. The primary task of the Worker Center in Rochester will be to train workers in the exercise

of their legal right to concerted action on the job and to provide strong community support for their efforts.

POWER will engage in strategically determined campaigns in sectors identified as most in need. One example is that of home health aides who, at a median income of \$22,650, are the lowest paid healthcare support workers and face often frightening and unpredictable workplace health and safety conditions.

In this example of a health aids campaign, POWER would work through the following structure. POWER would do community outreach. POWER would also receive referrals from lawyers who present the worker model as an alternative to legal action. POWER could also welcome participants from referrals by unions, who may determine that a call from workers would not result in a winnable campaign but see the opportunity of those workers to develop the chance to increase their worker rights through a Worker Center Model. These referrals will be crucial because they would result in workers who are predispose to take action walking through the doors of POWER.

A worker walking into the first meeting or POWER will encounter a meeting structure that provides a basic introduction to worker rights and the challenges workers face trying to enforce those rights individually. That introduction may include presentations and testimonies of workers who face those challenges. This opportunity for learning will be available at each member meeting.

Workers will have an opportunity to strategize and take part in actions that address specific cases presented at the meeting. Actions like writing a letter directly to the employer or doing a delegation between employer, worker and community partner will be presented. The group recommends steps and support the individual worker in taking those steps. Each of these steps has the ultimate goal of decreasing the employer's ability to ignore the claim and raising awareness of other

workers. Finally, these steps would be linked to legislative and corporate campaigns that would increase the visibility of the issues to the general community to augment leverage.

In a city of poverty wages, economic stagnation, geographic racial segregation, and no end in sight, it is imperative that the needs of Rochester's poor be addressed using innovative models of community organization. A Worker Center is one crucially step toward a recovered and prosperous Rochester.

Thank you.

Notes

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