

N E W S R E L E A S E

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Task Force Targets Construction Sites that Commit Wage Theft, Put Workers at Risk

81 citations, 4 work stop-orders issued as part of Operation Underground

Oakland—The Labor Enforcement Task Force (LETf), a multi-agency team of inspectors, yesterday participated in Operation Underground, a statewide enforcement action at construction worksites throughout California. Ten investigators from Cal/OSHA and the California Labor Commissioner’s offices were deployed in Los Angeles, the Silicon Valley, Fresno and the Inland Empire.

The enforcement effort is focused on curbing practices common in the underground economy that harm legitimate businesses and workers, including wage theft, tax evasion and fraud.

As a result of inspections, 81 citations with penalties of over \$135,000 were issued for various labor law and workplace safety violations, including four work stop-orders for failure to maintain workers’ compensation coverage in Fresno, Chino Hills and Uplands. Inspectors found serious safety hazards such as:

- saws without safety guards
- scaffolding, stairways, and an open skylight on a roof with no guard rails

Inspectors also found wage theft violations including:

- inadequate workers’ compensation coverage
- failure to pay overtime
- failure to provide pay stubs

Not only do these practices provide a competitive edge over compliant establishments, they also compromise the well-being of employees and increase taxpayer burden.

“These citations serve as a reminder that underground employers who commit wage theft and intentionally put their workers at risk will not be tolerated,” said Christine Baker, Director of the Department of Industrial Relations (DIR), which administers LETf, and oversees both Cal/OSHA and the California Labor Commissioner’s offices. “LETf focused its resources on construction businesses yesterday due to the inherent danger and potential for labor violations.”

The Labor Enforcement Task Force was formed in January 2012 to combat all industries that operate in the underground economy. The goal of LETF is to ensure safe working conditions, proper payment of wages, and create an environment where legitimate businesses can thrive as well as support the collection of taxes, fees and penalties due to the State of California.

The Labor and Workforce Development Agency, the first cabinet-level agency coordinating workforce programs, oversees both LETF, led by DIR, and the Joint Enforcement Strike Force (JESF), headed by the Employment Development Department. LETF and JESF both participated in today's enforcement efforts, which were coordinated by the California Department of Insurance.

Additional information on the underground economy, the [Labor Enforcement Task Force](#) and [DIR](#) is posted online and on DIR's [Facebook](#) and [Twitter](#) pages. California workers and employers can contact the task force hotline at 855-297-5322 to report documented complaints and enforcement tips.

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