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Labor Commissioner Gets San Francisco House Cleaning Workers $50,000 Each in Back Pay

San Francisco—Labor Commissioner Julie A. Su has reached a $265,000 settlement on behalf of five workers who were victims of wage theft while employed at San Francisco-based Marina’s House Cleaning. The employees, who typically worked over 10 hours a day, will receive an average of $50,000 each in back pay.

The investigation opened last October after the Spanish-speaking workers visited the Labor Commissioner’s San Francisco office to learn about their rights under California’s labor laws. Investigators determined that the employees had been incorrectly designated as independent contractors and paid less than minimum wage with no overtime. They were required to clean 12 to 15 houses each day, which forced them to skip meal periods and rest breaks. Marina’s House Cleaning further failed to pay the employees’ full wages upon separation.

“With this settlement, workers who were once exploited and denied their right to a just day’s pay for a hard day’s work are finally getting the wages they earned,” said Labor Commissioner Julie A. Su.

The settlement includes $247,616 in back pay for the five workers and $17,384 in civil penalties.

Worker misclassification results in an estimated loss of $7 billion each year in payroll tax revenue to the State. Also, Employees misclassified as independent contractors are frequently underpaid and do not have on-the-job benefits and protections including workers’ compensation coverage, family leave, unemployment insurance, the right to organize or join a union, and protection against employer retaliation.

“Employers who knowingly misclassify workers as independent contractors commit wage theft, deprive their employees of basic rights and gain an unfair competitive advantage over businesses that abide by the law,” said Labor Commissioner Su.

The Wage Theft is a Crime public awareness campaign, launched in 2014 by the Department of Industrial Relations (DIR) and its Labor Commissioner’s Office, has
helped inform workers of their rights and employers of their responsibilities. The campaign includes multilingual print and outdoor advertising as well as radio commercials in Spanish, Chinese, Vietnamese, Hmong and Tagalog.

DIR protects and improves the health, safety and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws.

DIR’s Division of Labor Standards Enforcement (DLSE), also known as the Labor Commissioner’s Office, enforces prevailing wage rates and apprenticeship standards in public works projects, inspects workplaces for wage and hour violations, adjudicates wage claims, investigates retaliation complaints, issues licenses and registrations for businesses and educates the public on labor laws.

Employees with work-related questions or complaints may contact DIR’s Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734). The California Workers’ Information line at 866-924-9757 provides recorded information in English and Spanish on a variety of work-related topics.

Members of the press may contact Peter Melton or Paola Laverde at (510) 286-1161, and are encouraged to subscribe to get email alerts on DIR’s press releases or other departmental updates.

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The California Department of Industrial Relations, established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the Labor & Workforce Development Agency. For general inquiries, contact DIR’s Communications Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate division or program in our department.