

## Oregon's Wage Theft Problem Persists

Wage claims filed recently with state officials show that the problem of wage theft in Oregon has not gone away.

Wage theft occurs when employers pay workers less than the minimum wage, don't pay time-and-a-half for overtime hours, cheat on the number of hours paid, steal tips or don't pay workers at all. Some workers seek redress with the Oregon Bureau of Labor and Industries (BOLI). Many don't, possibly because they are unaware that help is available or fear reprisal from their boss.

Analysis of new claims filed with BOLI between July 2011 and June 2012, shows that many Oregon workers still struggle to get paid.

### **Total number of claims filed:** 1,320

- There were 284 more wage claims for the period than for the prior fiscal year.<sup>1</sup>

### **Total dollar amount of claims:** \$3,703,493

- Total dollar amount of claims was 11 percent higher than filings for the prior fiscal year.<sup>2</sup>

### **Industry with highest share of claims relative to workforce size:** construction<sup>3</sup>

- Construction made up 4 percent of Oregon's workforce and 18 percent of total claims (231 claims).
- For the second year in a row, construction had the highest share of wage claims relative to workforce size.<sup>4</sup>
- Total dollar amount of the claims: \$770,948.
- The construction industry is comprised of general contractors as well as specialty trades firms, such as painters and roofers, which frequently subcontract with a general contractor.

### **Industries with most total claims:** agriculture, construction and food service

- The agriculture industry had 283 claims.<sup>5</sup>
- The construction industry had 213 claims.
- The food service industry, which includes restaurants and bars, had 186 claims.

## **Conclusion**

Oregon workers continue to struggle to be paid the wages they are owed. The problem appears to be particularly acute in industries such as construction, agriculture and restaurants and bars.

Not all workers experiencing wage theft seek assistance from BOLI, so the wage claims filed with the agency are merely an indicator of a larger wage theft problem.

Given the evidence of persistent wage theft in Oregon, action by the legislature to strengthen worker protections and improve tools to recover lost wages is needed.

#### Endnotes

<sup>1</sup> OCPP analysis of BOLI data shows 1,159 wage claims filed July 2010 to June 2011.

<sup>2</sup> OCPP analysis of BOLI data shows total amount of wage claims for July 2010 to June 2011 was \$3,351,100.

<sup>3</sup> Industry calculations are based on total BOLI claims and non-farm employment data from the Oregon Employment Department. Claims in the construction industry comprise 0.33 percent of the industry's workforce.

<sup>4</sup> Oregon Center for Public Policy, *In What Industries is Wage Theft Prevalent?*, February 9, 2012.

<sup>5</sup> A single company accounted for 237 of the claims from workers in the agriculture industry. That company, Select Onion, LLC, filed for bankruptcy.

---

This work is made possible in part by the support of the Ford Foundation, the Stoneman Family Foundation, the Northwest Workers Justice Project, the Northwest Area Foundation, the Oregon Education Association, the Oregon School Employees Association, SEIU 503 and by the generous support of organizations and individuals.

The Oregon Center for Public Policy is a part of the State Fiscal Analysis Initiative (SFAI) and the Economic Analysis and Research Network (EARN).

---