



# EXPANDING WORKERS' RIGHTS

What it  
means for  
New York City's  
Low-Income  
Workers

## About the Authors

**Nancy Rankin** is Vice President for Policy Research and Advocacy for CSS, where she leads the work on labor, housing, youth, transit affordability, and income inequality. She is the founder of the Unheard Third survey and has written and spoken widely on issues affecting upward mobility of low-wage workers and the challenges of meeting work and family responsibilities. Nancy played a key role in the campaigns to pass paid sick days in New York City and paid family leave statewide. She is a graduate of Cornell and Princeton.

**Irene Lew** is a Policy Analyst at CSS, where she conducts research, analyzes economic and demographic data and writes about issues impacting low-income New York City residents. Her primary area of focus is analyzing and reporting findings from CSS's annual Unheard Third survey. She received her Master's degree in Urban Policy Analysis and Management from The New School.

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**The Community Service Society of New York (CSS)** is an informed, independent, and unwavering voice for positive action representing low-income New Yorkers. CSS addresses the root causes of economic disparity through research, advocacy, and innovative program models that strengthen and benefit all New Yorkers.

**David R. Jones, Esq.,** President & CEO

**Steven L. Krause,** Executive Vice President & COO

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633 Third Ave, 10th FL  
New York, NY 10017  
PH 212.254.8900  
[www.cssny.org](http://www.cssny.org)

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## **Overview: What has the recent wave of progressive labor laws meant for working New Yorkers?**

New York, the birthplace of progressive labor standards that presaged the New Deal, is now advancing bold policies to address the needs of today's workers. Under Governor Andrew Cuomo's leadership, we've seen a series of actions: using the state's Wage Board to gradually raise fast food workers' wages to \$15 an hour and lift the lower minimum wage for tipped workers; state legislation to raise the general minimum wage in steps to \$15 in New York City by the end of 2019; and passage of a law that will ultimately provide up to 12 weeks of job-protected paid family leave to nearly all private sector employees. Most recently, the state advanced new regulations to address unpredictable scheduling practices. As proposed for public comment, the regulations would establish a 14-day advance notice standard and require extra pay for last-minute changes and on-call shifts.

In New York City, Mayor Bill de Blasio and a progressive City Council expanded the 2013 paid sick leave law to cover workers in smaller businesses, broadened the definition of family member, and just this year permitted leave to be used to deal with safety issues stemming from domestic violence. Additionally, in 2017, the city passed "Fair Workweek" legislation to combat unpredictable scheduling in the fast food industry, ban on-call scheduling in the retail sector, and enable paycheck deductions to support a nonprofit to advocate for fast food workers' interests. The new set of laws also requires fast food chains to offer a new shift to existing employees before hiring another worker. And in a move designed to end perpetuation of the pay gap for women, Public Advocate Letitia James championed legislation that prohibits employers from asking job applicants for their salary history starting October 31, 2017.

Collectively, the promise of these laws and rulings is enormous. But passing them is just the start. For ordinary workers to benefit—especially the most vulnerable low-wage and immigrant employees—they, their employers, and the general public must be aware of the laws and how they work. The standards need to be enforced and become the new norms.

This report takes a look at public awareness in New York City for three recent changes to advance workers' rights: paid sick days, minimum wage increases, and paid family leave. For policies already in effect, we ask covered workers to report whether they are in fact benefitting. In the case of paid family leave, we assess whether the general public—especially those most likely to need this benefit—is aware of their new right, which passed in 2016 and took effect January 2018. The analysis is based on findings from the Unheard Third, an annual survey of adults in New York City conducted by the Community Service Society in partnership with Lake Research. [To learn more about how the survey was conducted, see Appendix A.] We focus particularly on low-income employees, in households below 200 percent of the federal poverty level, which was \$48,678 for a family of four in 2016.

**Collectively, the promise of these laws and rulings is enormous. But passing them is just the start.**

## Here's what we found:

### PAID SICK DAYS

#### **Many more low-income workers now have paid sick days.**

Since New York City's earned sick time law went into effect in 2014, the percent of covered low-income workers with paid sick leave has climbed dramatically from 47 to 71 percent, narrowing the gap between low-income and all workers.

#### **Yet, lack of paid sick leave persists, especially among part-time workers and those employed by small firms.**

The law was launched with a large-scale public outreach campaign. However, despite substantial progress and strong enforcement by the Department of Consumer Affairs and its recently created Office of Labor Policy & Standards, almost three in ten low-income workers covered by the law reported that they still lacked paid leave of any kind on their job. And nearly half of covered low-income workers employed part-time and 44 percent of those in small firms with five to 14 employees still lacked this benefit.

#### **Low awareness of the sick leave law among affected workers hinders enforcement.**

More than half (55 percent) of low-income workers covered under the law—and an even higher 63 percent of those who said their employers failed to provide sick days—had heard little or nothing about it. Given that enforcement is largely complaint-driven, lack of awareness is a barrier to ensuring that all covered workers gain access to the paid sick time promised by the law.

**EMPLOYEES  
IN NYC  
CAN USE  
SICK LEAVE  
STARTING  
JULY 30**

**INSIDE:**  
English  
Español (Spanish)  
中文 (Chinese)  
Русский (Russian)  
Kreyòl Ayisyen (Haitian Creole)  
한국어 (Korean)  
العربية (Arabic)  
বাংলা (Bengali)

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WORK 100%**

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Julie Marchese, Commissioner  
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## MINIMUM WAGE

### **New York City residents are more aware of recent minimum wage increases than of other new labor laws.**

More than seven in ten moderate and higher income New Yorkers, and 58 percent of low-income respondents, said they had heard that minimum wages had been raised. While New Yorkers are generally aware that the minimum wage has gone up, we would bet that many, if not most, would be hard-pressed to say exactly what the minimum wage now is in New York City. Required wages differ for fast food, tipped and general workers, and phase in on separate schedules depending on employer size and location. Such complexity makes for confusion. Even the experts admit to consulting charts to keep it all straight.

### **While minimum wage increases are making low-income households better off, Census data suggests that some may not be seeing benefits because of wage theft.**

Among the working poor, one out of three hourly workers said their households were better off as a result of rising minimum wages, including 14 percent who said they were much better off. Yet a majority of the working poor felt that the changes had not had much impact on their lives. Increments in the minimum wage to date, as it gradually rises to \$15, may not have been enough to keep pace with rising rents and transit expenses. But the more troubling explanation is that some workers may not actually be getting their legally required higher minimum wages. Based on an analysis of Census 2017 Current Population Survey data, CSS conservatively estimates that 11.4 percent of all hourly (non-tipped) workers, and 34.4 percent of low-wage hourly workers were reporting wages below the applicable minimum wage.

### **Low-income tipped workers reported gains from a recent jump in their separate, lower minimum wage. However, depending on tips to reach the full minimum wage is unreliable, difficult to enforce, and leads to hardships and financial insecurity for low-paid workers. The idea of eliminating the subminimum wage for tipped workers is gaining momentum.**

Four out of 10 low-income tipped workers said their households were better off thanks to increases in the minimum hourly base wage before tips, which rose by \$2.50 an hour over the past two years. However, tipped workers' minimum wage before tips will be just two-thirds of the general minimum wage by the start of 2020, when a \$15 general minimum wage takes effect in New York City for employers of all sizes. Such a low base combined with difficulties in enforcement, leads to financial insecurity and exploitation for workers in restaurants, nail salons, or car washes struggling to get by on unpredictable tips. Advocates have called for establishing "one fair wage" for all workers. In December 2017, Governor Cuomo announced hearings to examine eliminating the lower tipped minimum wage. We found widespread public support for this idea; seven out of ten New Yorkers favor it, regardless of whether they themselves rely on tips.

## PAID FAMILY LEAVE

**Before New York State began to roll out its robust outreach campaign in advance of the January 2018 start for paid family leave benefits, few low-income employees were aware of their new right.**

At the time we fielded our survey during 2017, paid family leave had been enacted in New York State, but had not yet gone into effect. So our data on public awareness should be interpreted as a baseline measure, prior to the state's launch of its planned extensive outreach and advertising campaign. That baseline reveals how much public education is needed. The majority of New York City's workers had heard little to nothing about the new law; this included 71 percent of low-income workers and 59 percent of moderate and higher income workers.

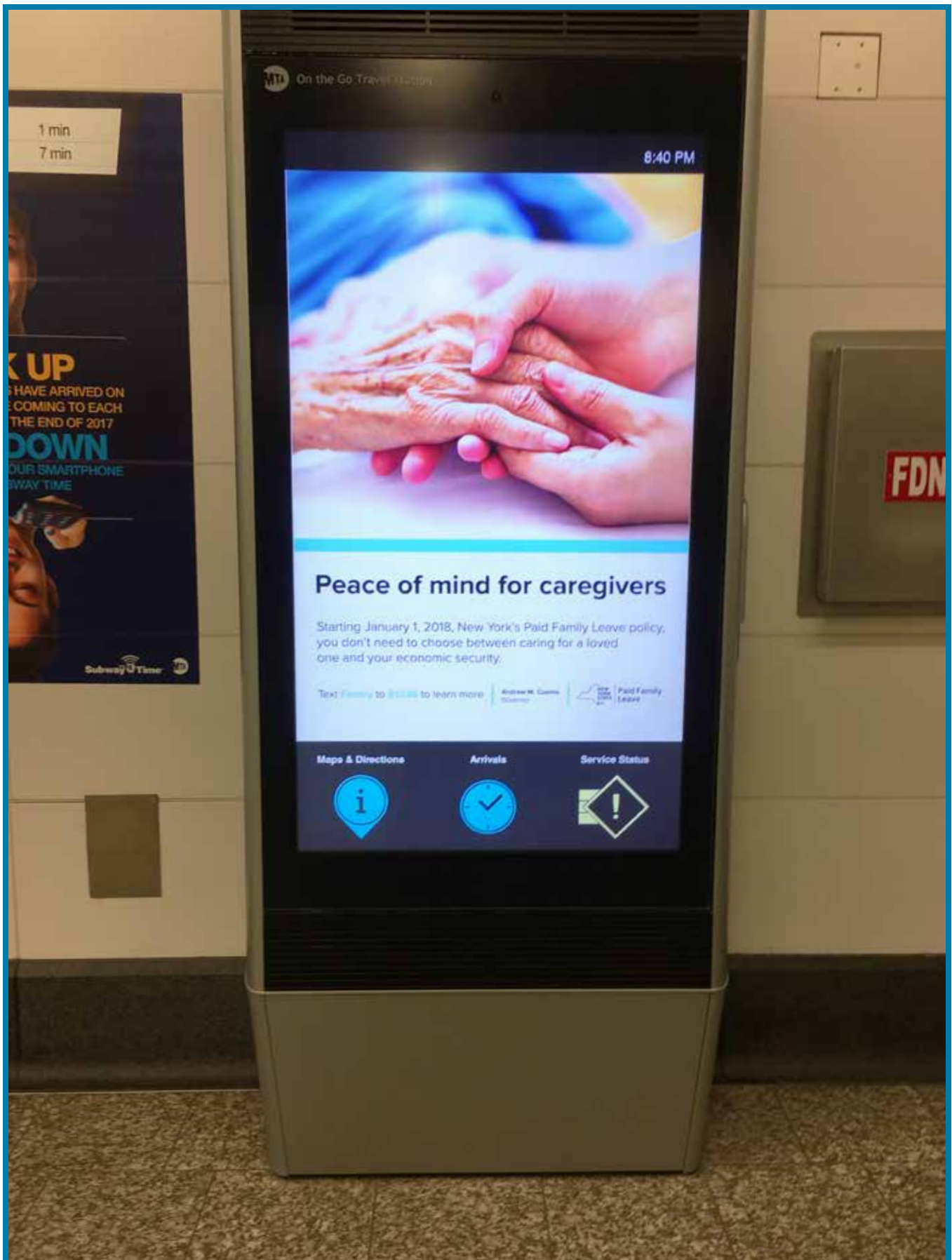
**Awareness of paid family leave was low among vulnerable workers most in need of this benefit.**

We found limited awareness among less-educated workers, employees in businesses with fewer than 50 workers who currently do not even have the unpaid leave provided under federal law, low-income working women of child-bearing age, and low-income workers who had needed to take time off from their jobs in the past three years to care for a seriously ill relative. These findings are troubling because they suggest low awareness of this new workers' right precisely among the groups who would most stand to benefit from it.

• • •

**Much of enforcement of labor standards relies on workers lodging complaints.**

A recurring theme across the labor standards we looked at is that much of enforcement is complaint-driven. That approach has limits, particularly in protecting the most vulnerable low-wage, non-unionized and immigrant workers who are understandably fearful of speaking out on the job or lodging complaints with government agencies to assert their workplace rights. Although both New York City and State have initiated proactive investigations of industries known to have widespread wage and labor standards violations, the challenge is enormous. With thousands of small establishments, with domestic workers isolated in private homes, and laborers scattered across small and changing worksites, much more remains to be done.



## Recommendations:

### Increasing investment in outreach, monitoring and enforcement

- Advocates, elected officials, and funders should substantially increase the resources invested in outreach, monitoring, and enforcement. After intense campaigns to win passage of a labor law, it can be hard to sustain a similar level of effort to monitor the outcomes. Passing a new law is heady stuff; following up to see what happens can seem less exciting. Funders move on to other states and cities that are working to adopt similar laws. But we need to know: are workers actually reaping the intended benefits? If not, is it because they are not aware of the laws, because the laws are not being adequately enforced, because of flaws in how the policies are designed or weaknesses in enforcement provisions? We need to learn more about how our laws are working in practice so that we can improve our policies and enforcement mechanisms going forward.
- Outreach needs to be broad-based to inform the general public, especially when it comes to new concepts like paid family leave. Even though workers may not know the details of the amount of unemployment benefits they would be entitled to, or the number of weeks they are eligible for, most employees understand that unemployment benefits exist, and it is something they should apply for if they lose their job. We need at least that same level of common knowledge for benefits like paid family leave.
- Outreach also needs to be targeted. More intensive outreach should be directed to people when they are paying attention and most receptive to the information. Here are three examples:
  - Health insurance claims submitted for a prenatal visit under Medicaid should automatically trigger a notice, text message, or both to the patient informing her about paid family leave. Medicaid covers the majority of births in New York, 51 percent statewide and 59 percent in New York City. Well over a third of deliveries (36.9 percent) covered by Medicaid in New York City were to women who were employed during their pregnancies.<sup>1</sup> Thus, this simple step would precisely target critical information to many low-wage workers exactly when it's needed. Other insurers should be encouraged or required to do the same, since paid family leave can be expected to improve health outcomes—and lower future costs—by improving financial stability, increasing labor force participation, sustaining breast-feeding, and reducing stress and maternal depression.
  - We could require posters about the right to paid sick leave at pharmacies, clinics, and in doctors' offices.
  - CSS and the New York Paid Leave Coalition will be collaborating with Bellevue Hospital Center to provide information about paid family leave to pregnant women when they visit the prenatal clinic. While we cannot expect health care providers to become experts in eligibility and claims procedures, we anticipate that they

### Making outreach more effective

- New York has passed landmark legislation to benefit working families with the enactment of a \$15 minimum wage and the nation's most comprehensive paid family leave law at the state level, and the right to paid sick leave in New York City. Both the city and state have invested in outreach to inform workers and employers about these far-reaching changes. But to be effective, public media campaigns including advertising need to be on-going over years. Imagine if Coca Cola said, "We did advertising. We ran ads three years ago when we introduced the product." This is especially true in New York City, where the competition for public attention is intense, and leading papers devote decreasing coverage to local news. More resources are needed for market research and messaging, repeated advertising, and innovative strategies to raise awareness extending well beyond the initial implementation.

can motivate their patients to apply for paid family leave. Then we can provide the tailored information and on-site navigators to answer questions and help with claims forms. If this model succeeds in raising awareness and take-up rates, it can be expanded to other health care settings and practitioners, from hospital discharge planners to geriatricians.

### **Strengthening enforcement**

- The lack of a single, widely known minimum wage in New York may be increasing the prevalence of wage theft. This issue should be examined and, moving forward, we should better align and simplify our minimum wages so that particular groups or sectors are not left behind, and the minimum wage is easier to communicate. Simplicity aids enforcement. Eliminating the separate, lower minimum wage for tipped workers would be a good first step.
- City and state agencies responsible for enforcing labor standards should continue and expand proactive enforcement targeting industries where violations are widespread, but vulnerable workers are fearful of lodging complaints or cannot survive months or longer waiting for determinations and restitution.
- Even with strong proactive investigations, some workers, including many immigrants in the current threatening political climate, will be reluctant to contact government agencies. Workers' rights organizations therefore play a critical role. They provide safe and trusted settings for independent free legal advice and representation for low-income workers. Beyond that, they alert enforcement agencies to where and what types of problems are occurring and can serve as intermediaries for anonymous tips and complaints to government authorities. Foundations should be encouraged to fund the expansion of these legal services and worker centers.
- Unions and newer workers' organizations play an indispensable role in fighting for the expansion of workers' rights, and then protecting those rights and ensuring workers actually benefit. Organizing workers remains the ultimate enforcement tool.

**Medicaid and other health insurance claims for prenatal visits should automatically trigger a notice to the patient about paid family leave.**

**Posters on the right to paid sick leave should be displayed at every pharmacy.**

MAKE THE

PAID SICK  
DAYS



Workers Rights

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Expanding Workers' Rights

# **PAID SICK DAYS**

## **Most low-income workers now have paid sick days as a result of New York City's law.**

Employees working in New York City gained the right to paid sick days as a result of a law implemented in mid-2014. In the first months after the law went into effect, the city focused its enforcement efforts on public education and mediation. Beginning in 2015, the Department of Consumer Affairs (DCA), the agency charged with administering the law, shifted its priority to gaining restitution of lost pay for workers denied paid sick time. As the city has ramped up enforcement, we have seen a steady increase in the percent of workers who report receiving paid leave from their employers. The vast majority of low-wage workers no longer have to regularly choose between their pay and their health or caring for a sick child. This is a stark change from just four years ago when only 47 percent of private sector low-income workers covered by the law had access to paid sick leave.

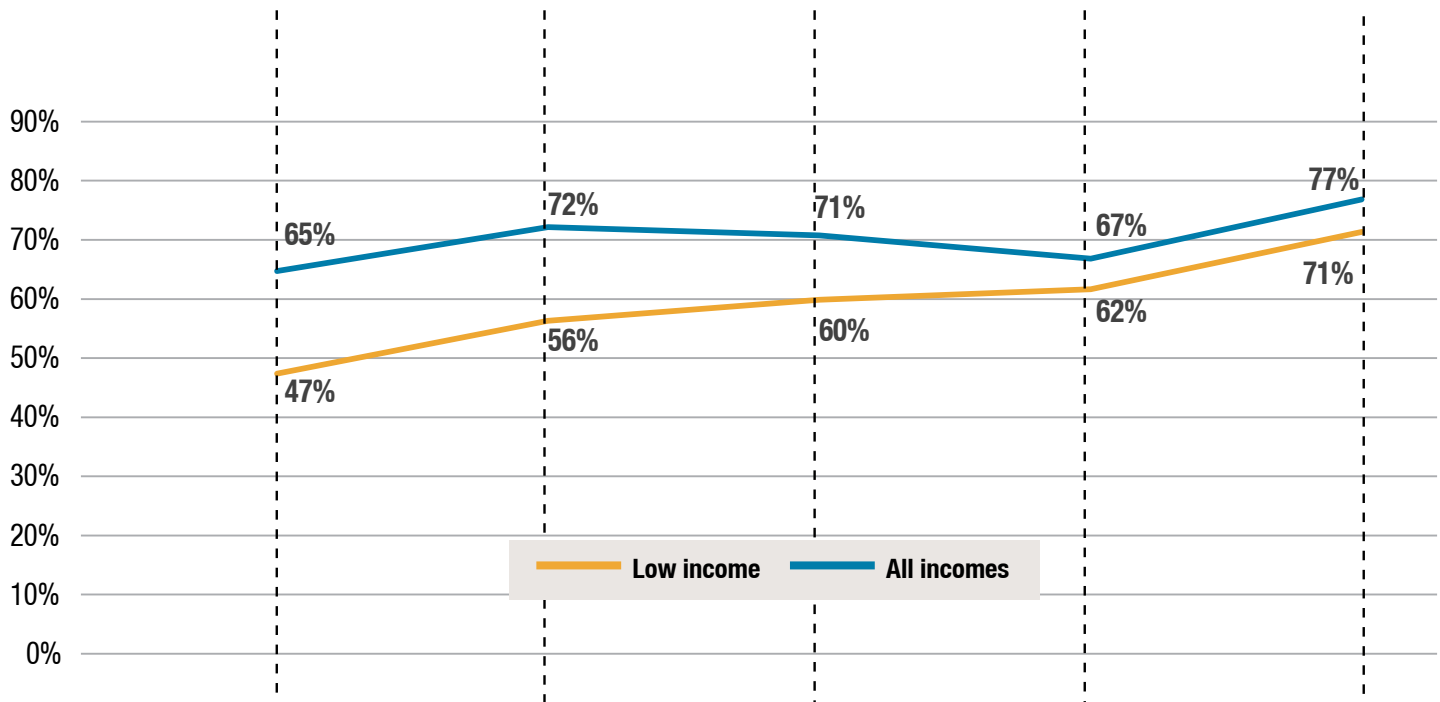
Despite this progress, a sizeable fraction of low-income covered workers—29 percent—report that their employers still fail to provide the paid leave required by the law. In a largely complaint-driven enforcement system, the burden falls on the shoulders of the most vulnerable workers to speak up to their bosses or report violations to a public agency. It has helped that a complaint to DCA has often triggered a broader investigation of the entire category of workers employed by that particular employer. Still, is it reasonable to expect low-wage employees to put their jobs and livelihoods on the line by challenging their employers? Even if the laws protect workers from retaliation, employees are likely to fear negative repercussions at work or being labeled as trouble-makers, making it difficult to find another job. For undocumented immigrants, the consequences could be far worse. Moreover, workers living paycheck to paycheck cannot survive for months or longer waiting for determinations and restitution.

Recognizing the limited ability of the most vulnerable workers to secure their workplace rights through a complaint process, DCA's newly created Office of Labor Policy & Standards (OLPS) has moved to pursue a new approach to enforcement: proactively targeting industries and workplaces rife with violations.<sup>2</sup> OLPS is initiating investigations based on research and information provided by community-based worker organizing groups and unions that have a deep knowledge of industry practices and strong relationships with workers. As a first step, in July 2017, OLPS began an investigation of home health care agencies. Policy experts and advocates have called for exactly this kind of proactive enforcement to secure fuller compliance with New York City's paid sick leave law in industries where violations are known to be rampant, but workers have been reluctant to come forward with complaints.

**The vast majority of low-wage workers no longer have to regularly choose between their pay and their health or caring for a sick child.**

**The proportion of low-income workers with paid sick leave has climbed dramatically from 47 to 71 percent since New York City’s paid sick leave law went into effect, narrowing the gap between low-income and all workers.**

Share of covered workers with any paid time off for sickness or vacation



	2013	2014 (Apr-Dec)	2015	2016	2017
\$ Restitution to employees		\$1,372.76	\$837,663.70	\$1,914,975	\$1,920,974.54*
\$ Fines assessed		\$0	\$537,451.74	\$953,010.71	\$470,618.53
<b>TOTAL</b>		<b>\$1,372.76</b>	<b>\$1,375,115.44</b>	<b>\$2,867,985.75</b>	<b>\$2,391,593.07</b>
Number of employees receiving restitution		5	9,094	5,855	5,256
	Earned Sick Time Act becomes law	Paid sick leave law expanded to cover smaller employers. Law goes into effect April 2014			Law further expanded to allow use for “safe day” to address domestic violence in Oct. 2017

\*as of 12/6/17. Source: NYC/DCA

Note: Covered workers excludes those in the public sector, self-employed, and in firms with less than 5 employees. The law requires employers with under 5 employees to provide up to 5 days of unpaid sick time. The law allows paid vacation or PTO to satisfy sick time requirements if it can be used in the same way as sick time.

## **New York City's Earned Sick Time Act: Timeline and Major Provisions**

The Earned Sick Time Act, requiring most private sector employers to provide five days of paid sick leave, became law in June 2013, when the New York City Council passed it over then-Mayor Michael Bloomberg's veto. Under the law, championed by City Council Member Gale Brewer, workers earn one hour of sick leave for every 30 hours worked, up to 40 hours a year. Small businesses are required to provide up to 40 hours of unpaid leave. Leave can be used for your own health needs as well as to care for an ill family member. The law covers both full and part-time employees, as well as undocumented workers. Domestic workers, who have three days of paid leave a year under New York State law, are entitled to up to two additional days of paid sick leave annually.

As the first legislative act of his administration, Mayor Bill de Blasio and the City Council significantly expanded the law by lowering the threshold for the size of employers required to provide paid sick time from 15 to five and including manufacturing workers who had previously only been required to provide unpaid leave. The definition of family members who could be cared for using sick leave was expanded to include siblings, grandchildren, and grandparents. In addition, enforcement was strengthened by giving the administering agency the power to initiate investigations, and not be limited to responding to complaints. The bill was signed into law in March, 2014 and became effective April 1, 2014. Leave accrued under the law could be used starting July 30, 2014. In November 2017 the law was further expanded to allow leave to be used to deal with safety issues related to domestic violence, sexual assault, stalking, or human trafficking and the definition of family was broadened to include chosen, as well as biological, family members.

## Which workers covered by the law still aren't getting paid sick leave?

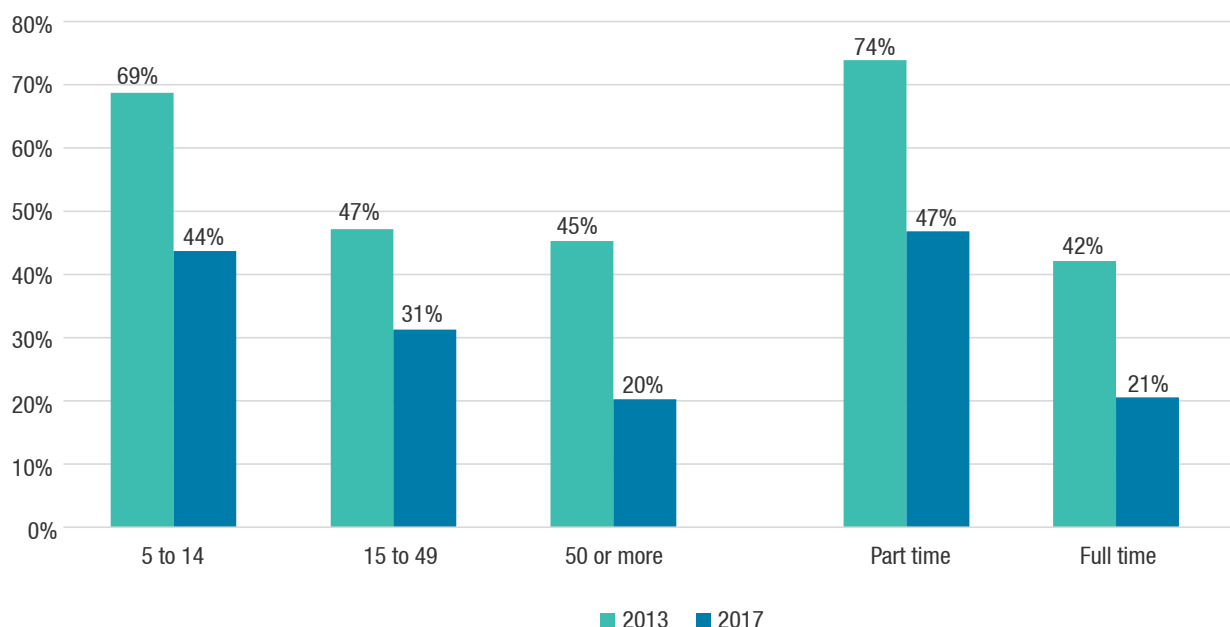
Small employers are prevalent among industries that employ many low-wage workers: nail and hair salons, restaurants, green grocers, retail shops, laundries, and dry cleaners, among others. Fifty-five percent of New York City's working poor were employed by businesses with fewer than 50 employees, compared to just 38 percent of working residents citywide.<sup>3</sup> While low-income workers employed by small businesses are now more likely to have paid sick leave than prior to passage of the sick days law, lack of leave remains a problem. Workers in firms with five to 14 employees are more than twice as likely to lack paid sick days compared to those in workplaces of 50 or more.

Lack of paid sick leave is also a major problem for part-time workers. They were among those least likely to get

paid sick time prior to enactment of the law; a shocking 74 percent lacked this basic benefit. This is a concern given how common involuntary part-time employment is among low-income workers. Nearly half (48 percent) of the city's low-income working residents are employed part time, compared to less than a quarter (22 percent) of those with moderate to higher incomes.<sup>4</sup> Particularly in the retail and food service sectors, many workers struggle to get by without enough hours. While low-income part-time workers have made large gains in access to paid sick leave since the city law took effect, they remain more than twice as likely as those working full time to still be without paid sick time. Looking specifically at the restaurant and retail sectors, 31 percent said they failed to get required sick leave, still high, but down from 56 percent in 2014.

## Despite large gains, many low-income covered employees working for small firms or part time still lack paid sick leave.

Share of covered low-income workers without paid time off for sickness or vacation by firm size and part/full-time status



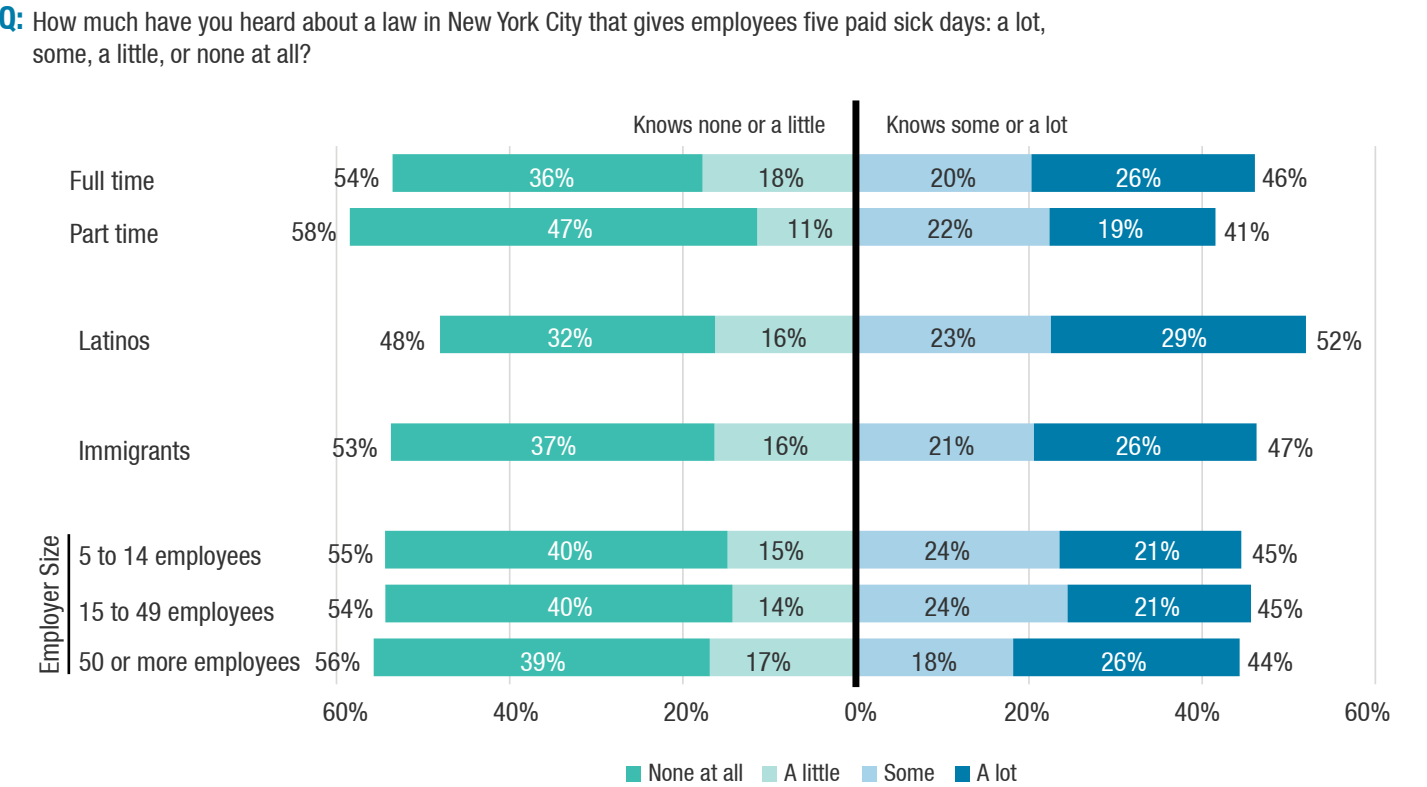
**Awareness of the right to paid sick leave remains low among affected workers.**

Implementation of the city’s paid sick leave law in 2014 was accompanied by an extensive public outreach campaign led by the Department of Consumer Affairs (DCA). Subway, bus, television, and print advertisements were reinforced with the distribution of hundreds of thousands of multi-language brochures, mailings to employers, and information sessions held across the five boroughs. A scaled back ad campaign was mounted the following year. Since then, DCA has continued to widely distribute literature and conduct hundreds of training sessions and workshops, but has not had resources for public advertising campaigns. As a result, in 2017 a majority of low-income workers were unaware of their right to paid sick days and the proportion who had heard nothing at all about it had actually risen. Fifty-five percent of low-income workers covered under the law—and an even higher 63 percent of those who said their employers failed to provide sick days—had heard little or nothing

about the requirement. Among Latinos—who account for an estimated 43 percent of covered low-income workers who fail to get required sick time—awareness is somewhat higher. But still nearly half have heard little or nothing about their right to sick leave. Almost half of part-time workers had heard nothing about the paid sick time requirement, and another 11 percent knew only a little about it.

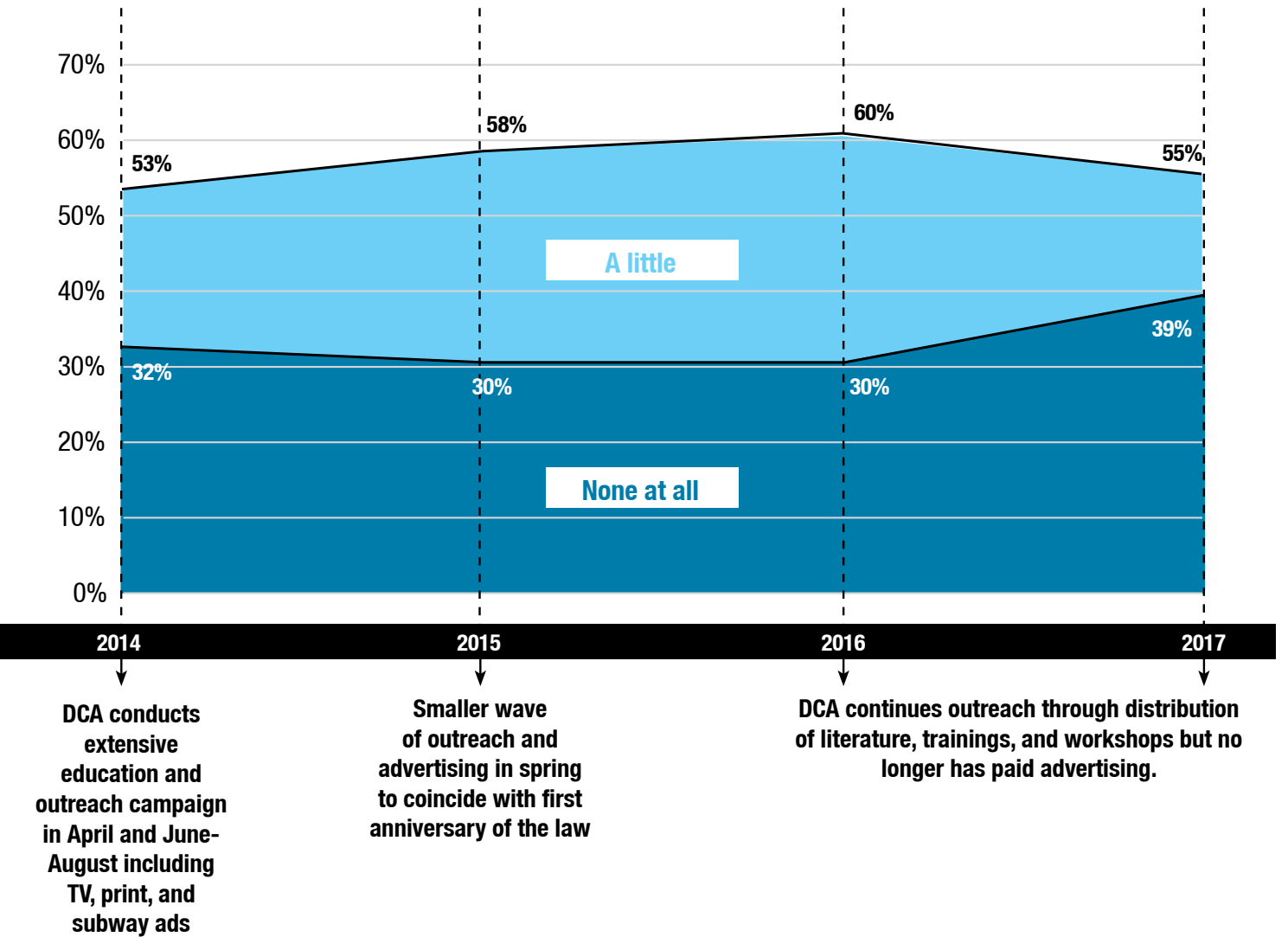
Given that enforcement is primarily based on complaints, lack of awareness, particularly among vulnerable workers, becomes another barrier to ensuring that all covered employees gain access to the paid sick time promised by the law. With 29 percent of low-income covered workers reporting that their jobs still do not provide the required paid leave, strong enforcement is not enough. Renewed public advertising and use of the mayor’s bully pulpit are needed to amplify DCA’s outreach and better inform both the general public and employers about their rights and responsibilities.

**Among low-income workers covered under the paid sick time law, nearly half or more of vulnerable groups are generally unaware of their right to paid sick leave.**



More than half of low-income working New Yorkers covered under the paid sick leave law still have heard little to nothing about it.

Q: How much have you heard about a law in New York City that gives employees 5 paid sick days: a lot, some, a little, or none at all?



“Day of Action” July 16, 2014

Outreach efforts culminated in a “Day of Action” when more than 1,400 volunteers and city agency workers distributed 350,000 pieces of literature explaining the new paid sick leave law at 150 subway stations during the morning and evening rush hours. Locations were targeted based on CSS’s survey data on the demographic characteristics of workers without sick leave.



Expanding Workers' Rights

# MINIMUM WAGE INCREASES

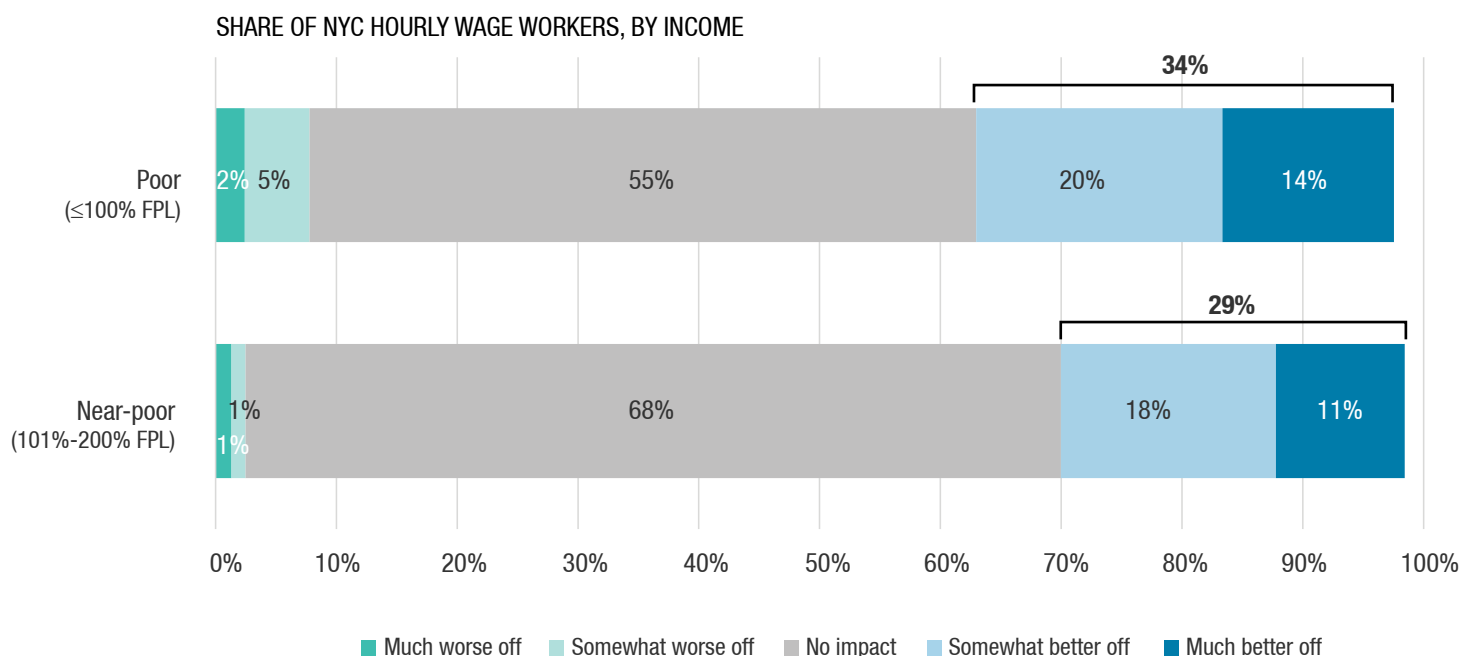
## Have recent increases in the minimum wage made low-income New Yorkers better off? For many they did.

In our 2017 Unheard Third survey, we asked New York City residents whether or not minimum wage increases over the last two years had made their households better off. Note that we did not ask whether their wages or earnings went up because of the increase, which is a separate factual question. What we were aiming to learn was whether the difference had little impact or actually improved their lives—and for many it did. Among the working poor, one out of three hourly workers said their households had benefitted from increases in the minimum wage, including 14 percent who said they were now much better off.<sup>5</sup>

Yet, a majority (55 percent) of the working poor felt that minimum wage increments had not had much impact on their household's well-being. What might explain this? Though New York's minimum wage victories, first for the fast food industry and then in 2016 for workers generally, were widely billed as winning a \$15 wage, that level will not be reached for all workers in New York City until the start of 2020. Gradual yearly gains may not yet register as significant improvements, especially as rents, transit fares, and other expenses continue to rise. Individuals might attribute their own rising wages to other reasons such as a tightening labor market as the economy improved, job changes, or growth in seniority and experience.

## More than a third of hourly workers in poor households said they were better off due to recent minimum wage increases.

**Q:** Minimum wages have increased in New York City over the past two years. Have these changes made you or your household better off, worse off, or have they had no impact on your household?



But more troubling is the data on wage theft that indicates some employers fail to pay workers the minimum wage to which they are legally entitled. Through the first ten months of 2017, conservative estimates put the share of all hourly (non-tipped) workers in New York City that reported wages below the applicable minimum wage at 11.4 percent.<sup>6</sup> To get an idea of just how common wage theft is among low-wage workers, 34.4 percent of hourly (non-tipped) workers who had reported wages of \$15 or less were earning less than the applicable minimum wage.<sup>7</sup> Wage theft is also more than twice as prevalent among non-union members compared to union-members, and among part-time workers compared to full-time workers.

Immigrant worker groups and advocacy organizations report that foreign-born New Yorkers, in particular, are victims of widespread wage theft. This is confirmed by the data: 18.4 percent of foreign-born non-citizens reported wages below the applicable minimum wage compared to only 8.2 percent of native citizens in New York City. In the climate of intimidation created by the Trump administration, shortchanged immigrant workers are fearful of speaking up to assert their rights or lodge complaints with government agencies.

Still, our finding that over a third of hourly workers in poor households reported that higher minimum wages made them better off shows the power and importance of raising the wage floor. The challenge is to prevent gaps in enforcement that allow workers to fall through that floor. The state has initiated a number of efforts to crack down on wage theft in all its forms, from failing to pay workers the minimum wage, to not paying prevailing wages or denying workers overtime or pay for hours worked. Following a 2015 *New York Times* exposé of abusive practices in nail salons, the state created a special task force to address widespread exploitation in that industry. Other task forces have been created to investigate rampant wage theft and workplace violations among restaurant, car wash, domestic, and construction workers, as well as day laborers.

Yet with thousands of small establishments, with domestic workers isolated in private homes, and laborers scattered across small and changing worksites, the challenge is enormous. According to the Governor's Office, in the first nine months of 2017, statewide \$19.8 million was returned to 27,200 victims of wage theft.<sup>8</sup> Yet to put this figure in perspective, it is estimated that minimum wage violations alone cost working New Yorkers \$10.2 to \$20.1 million *per week* in lost wages, according to a 2014 federally-funded study.<sup>9</sup>

**Estimates of “wage theft” indicate that many low-wage workers are not being paid their legally required minimum wage.**

## **Minimum Wages in New York: Summary of Recent Changes and Phase-in Schedule**

Since 2015, a succession of minimum wage increases—for tipped, fast food, and workers overall—have raised legally required pay levels in New York State. Actions taken by two wage boards convened by Governor Andrew Cuomo increased wages for tipped and fast food workers. For hospitality workers earning tips, before-tip minimum wages, which had ranged from \$4.90 to \$5.65 depending on the category of worker, went up to \$7.50 an hour, effective December 31, 2015. Tips are expected to bring hourly earnings up to the full minimum wage, and if not, employers are supposed to make up the difference, though enforcement is largely lacking. In 2015, an estimated 55,000 workers employed by fast food chains in New York City had their hourly pay boosted to at least \$10.50 an hour, with the minimum set to rise in steps until it reaches \$15 an hour at the end of 2018 in New York City and at the end of 2021 elsewhere in the state. The general minimum wage covering other workers went up from \$8.75 to \$9 an hour at the end of 2015. In 2016, Governor Cuomo went on to champion the union-supported “Fight for \$15” movement, successfully pushing to gradually raise the general minimum wage until it reaches \$15 for employers of all sizes by the end of 2019 in New York City, and two years later in Westchester and Long Island, with the minimum wage rising to \$12.50 at the end of 2020 in the remainder of the state. [The complicated array of wages and phase-in schedules for New York City is laid out in Appendix B.]

Minimum Wage for New York City Workers			
	2015	2017 (Wage in effect at time of survey)	Increase
Fast Food	\$8.75	\$12.00	+ \$3.25
Tipped food service workers	\$5.00	\$7.50	+ \$2.50
Tipped service employees	\$5.65	\$8.75* to \$9.15	+ \$3.10 to \$3.50
Workers covered by the general minimum wage	\$8.75	\$10.50* to \$11.00	+ \$1.75 to \$2.25

\*The lower figure applies to small employers of 10 or fewer workers.

Fast food workers experienced the biggest jump in wages, rising by \$3.25 an hour during the period we asked about in the survey. Most tipped workers got a \$2.50 an hour increase in their base wage, which rose from \$5.00 to \$7.50 an hour. But for other workers in New York City, the minimum wage increase was smaller depending on whether they worked for large or small employers. We are not able to identify fast food workers in our sample. But tipped workers, who saw larger increases in their base pay before tips than workers eligible for the general minimum wage, were more likely to report positive impacts from the recent minimum wage increases. Almost four in ten low-income tipped workers said their households were better off because of recent minimum wage increases. This includes nearly a quarter of tipped workers who reported being much better off, more than twice the proportion of non-tipped workers who said so.

While restaurant workers received a significant boost in their base pay before tips thanks to the 2015 wage board ruling, tipped workers in the food service industry are now on a trajectory to have their separate lower minimum wage reach \$10.00 for all size restaurants by the start of 2020. By then the general minimum wage will rise to \$15 an hour for all size employers in New York City. That will leave their pre-tip base pay pegged at two-thirds of the full

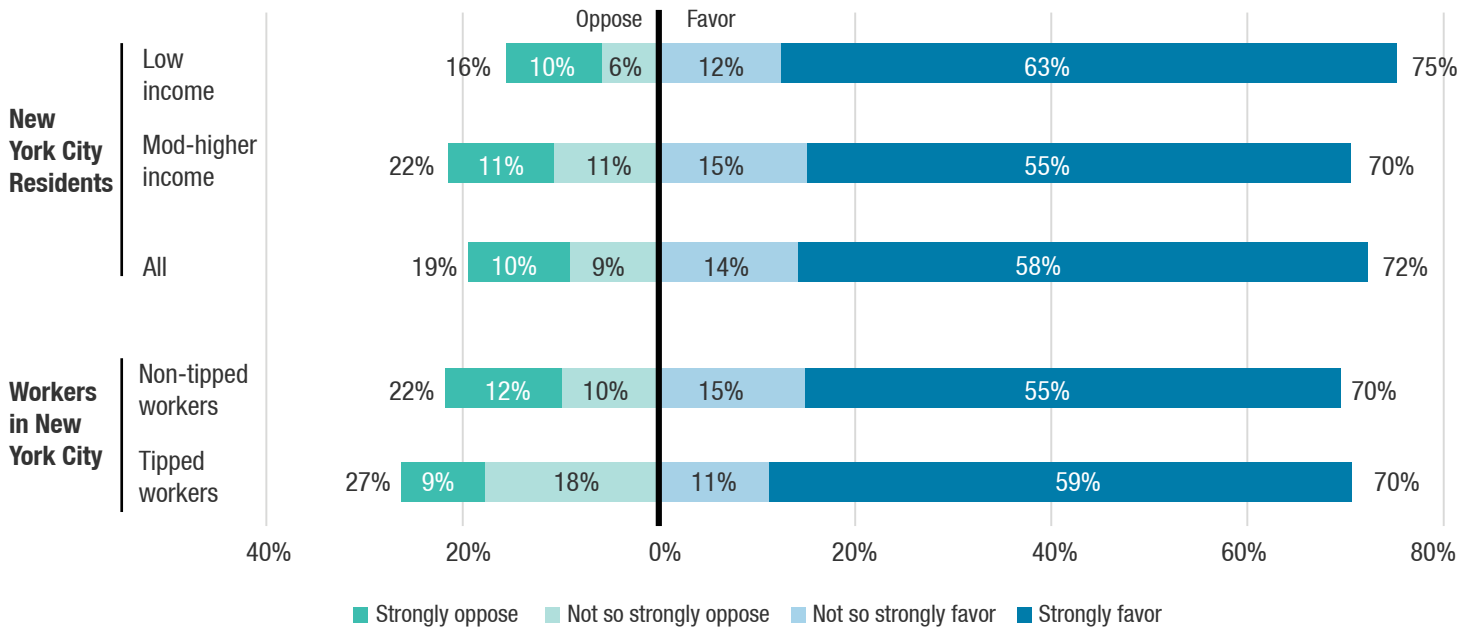
minimum wage, a lower proportion than in 2016 when the minimum cash wage for tipped workers was \$7.50 compared to the \$9.00 an hour general minimum wage.

We found that workers forced to rely on tips for so much of their base pay experienced high levels of hardship. Forty-two percent of tipped workers reported three or more serious difficulties such as falling behind in the rent or mortgage, not being able to fill a needed prescription, or going hungry. Financial insecurity was common with nearly a third (32 percent) saying they worried all or most of the time about having enough money to meet their basic expenses.

A coalition across tipped industries has mounted a campaign for “One Fair Wage” seeking to eliminate the separate lower minimum wage for tipped workers, and the constant need to fight to raise the tipped wage every time the minimum wage for other workers goes up. Increasing the pre-tip base pay for tipped workers in restaurants, nail salons, car washes, and airports would give them more stable weekly earnings and greater financial security. Moreover, advocates argue that women servers, in particular, would be under less pressure to put up with the sexual harassment prevalent in the restaurant industry if they were less dependent on tips for their base pay.

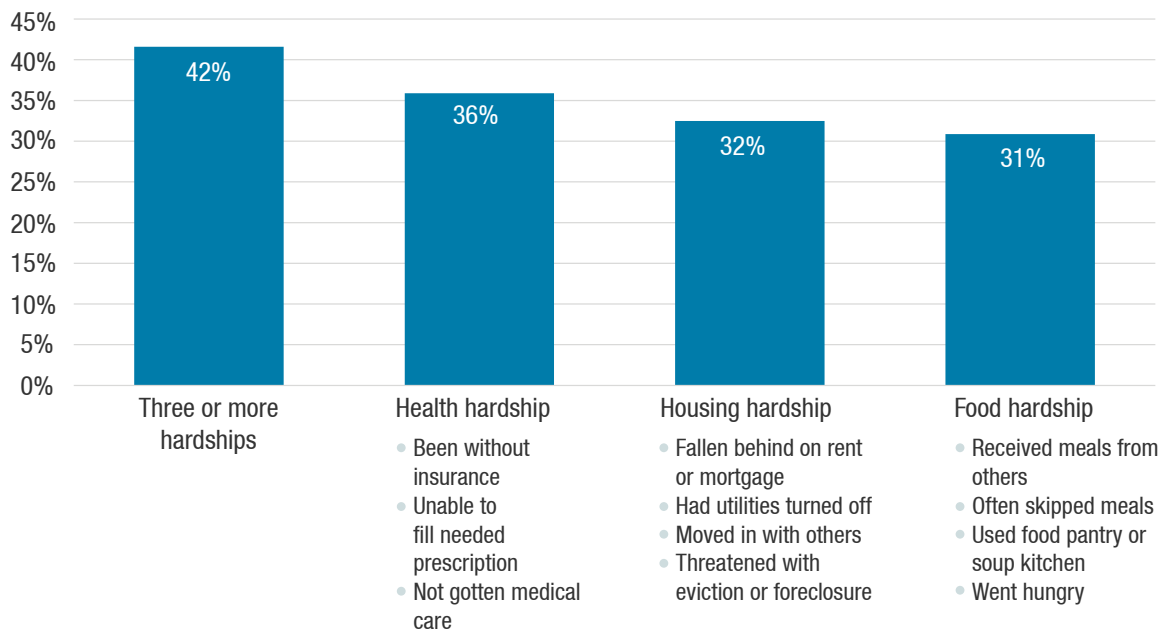
## Tipped and non-tipped workers agree. Both favor one minimum wage for all workers.

**Q:** For workers who earn tips, the minimum wage in New York City is below the regular minimum wage, which is now \$10.50 to \$12 an hour. For example, the minimum wage for restaurant workers is \$7.50 per hour. Do you favor or oppose eliminating the lower minimum wage for restaurant and other tipped workers, and instead setting one minimum wage for all workers?



## 42% of tipped workers experienced 3 or more serious hardships in the past year.

New York City tipped workers who experienced 1 or more of these hardships in the past year



Note: In addition to the ones listed, three or more hardships includes: cutting back on buying back to school supplies and clothes, often unable to afford subway and bus fares, a reduction in hours, wages or tips, job loss, and receipt of assistance from charity, religious or community organization.

In December 2017, Governor Cuomo announced hearings to examine whether the tipped minimum wage should be eliminated. If New York adopts the “one fair wage” policy, it would join seven western states where tipped workers are entitled to the full minimum wage before tips. We found wide support for this idea among New Yorkers, whether or not they are themselves tipped workers. More than seven out of ten city residents favor eliminating the separate lower wage for tipped workers.

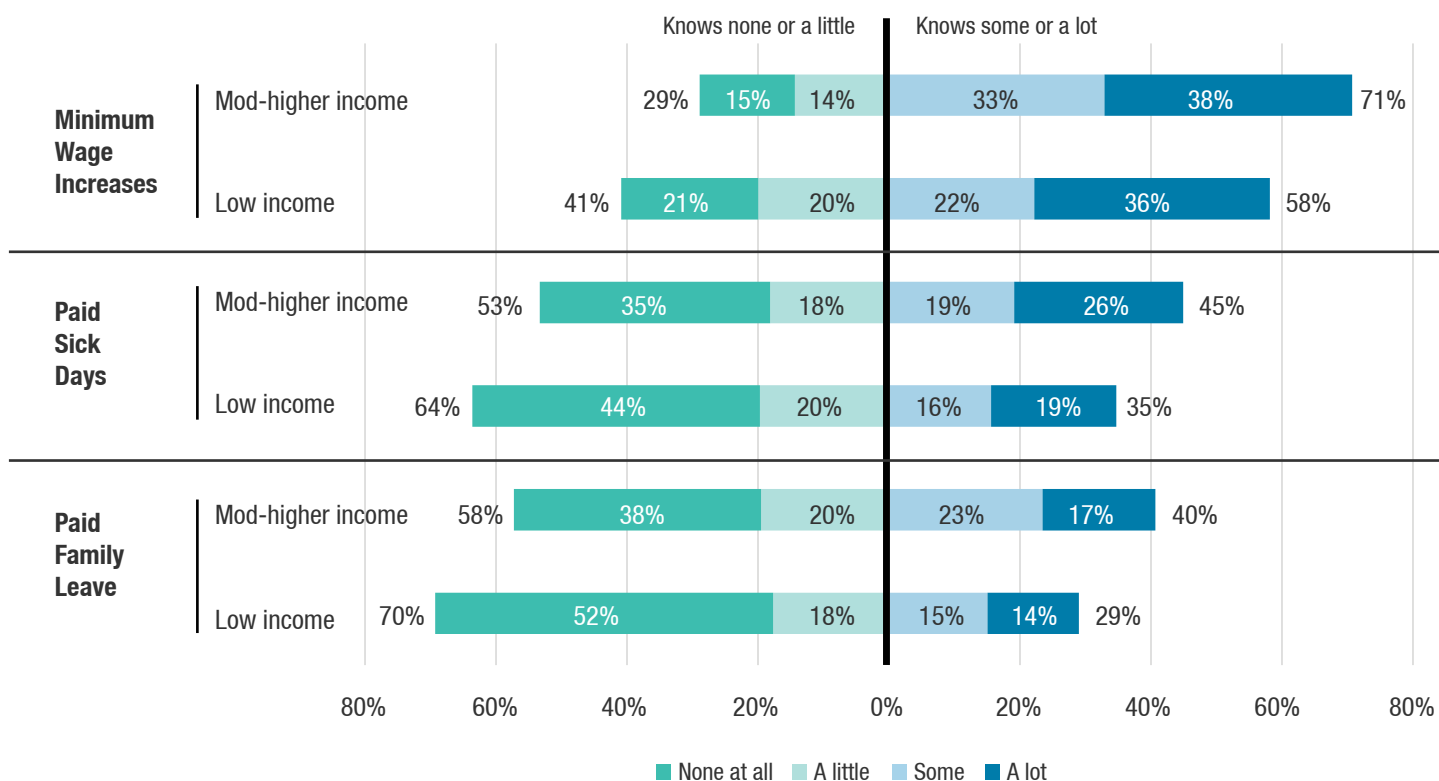
### Most New Yorkers have heard about the increase in the state’s minimum wage.

We found far greater awareness of recent increases in New York’s minimum wage than of other new labor protections.

More than seven out of ten moderate and higher income city residents and 58 percent of lower-income New Yorkers have heard about rising minimum wages. In contrast, less than half of middle and upper-income households, and just over a third of those with low incomes have heard about the paid sick days law. Even fewer were aware of paid family leave at the time of our survey. That is not surprising given that the minimum wage is a long-established, familiar concept in comparison to a government guarantee of paid leave. As paid family leave emerged as a hot-button issue during the 2016 presidential race, few news accounts pointed out that New York had become the fourth state to enact paid family leave. Moreover, when CSS fielded the survey, paid family leave had not yet gone into effect. Though the state had launched its website, it had not yet begun its full outreach and advertising campaign.

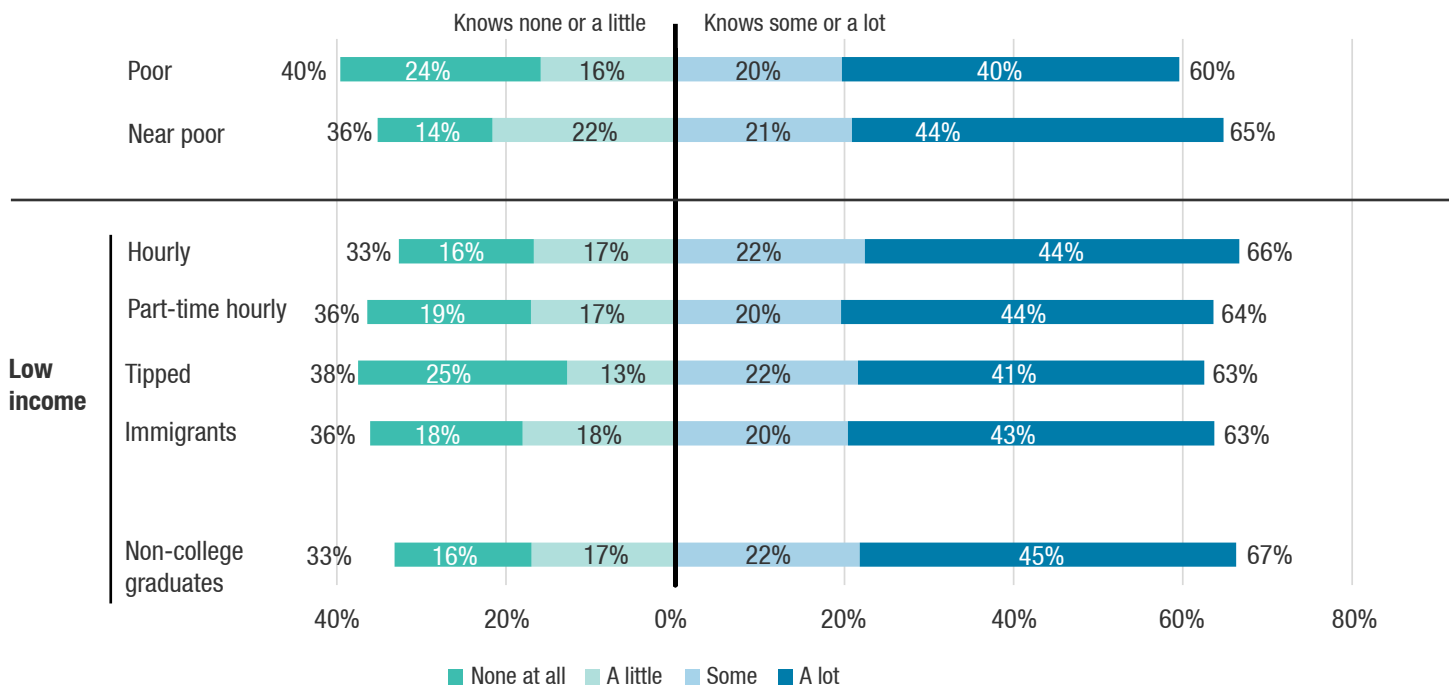
### In New York City, the public is more aware of recent minimum wage increases than of other new laws affecting workers’ rights.

Awareness of policy among all New York City residents



## Outreach by the state's Department of Labor has boosted awareness of minimum wage increases among workers who stand to benefit.

**Q:** How much have you heard about a law in New York City that will gradually raise the general minimum wage in New York City to 15 dollars per hour by 2020: a lot, some, a little, or none at all?



## **New Yorkers may know the minimum wage went up...but not what the minimum wage actually is that applies to them.**

The state's array of different minimum wages for tipped, fast food, and other workers, combined with phase-in schedules that vary depending on employer size and location, has become so complicated it almost defies communication. Even experts in the field are known to have to refer to a chart to remember who gets what minimum wage where and when. The complexity is rooted in the realities of political compromise, a desire to allow small employers more time to adjust, and economic arguments that in a state with wide variations in the cost of living and labor market conditions, geographic differentiation makes sense. Nonetheless, the resulting confusion means that workers—and even employers—are less likely to know what wage applies to them. We no longer have one widely understood minimum wage standard—and that can invite violations. The previously cited data indicates how widespread wage theft is: over a third of workers earning \$15 an hour or less in New York City were being paid below their legally required minimum wage. Simplifying the confusing set of wages and schedules would make enforcement easier.

**Even experts in the field are known to have to refer to a chart to remember who gets what minimum wage where and when.**

## **Efforts to raise awareness may not translate into greater compliance because vulnerable workers have a limited ability to assert their rights.**

In late 2016, the New York State Department of Labor (DOL) launched an extensive public outreach campaign to raise awareness of minimum wage increases. It included subway and bus advertisements, public service announcements (PSAs), a social media campaign, phone and digital outreach to more than 3,000 organizations from unions to worker and immigrant advocacy groups, and business associations. In addition, the DOL conducted presentations across the state, held webinars in multiple languages, distributed palm cards, brochures and posters, updated its website, and created a minimum wage enforcement and outreach unit. Because of these efforts, the DOL saw a large spike in website traffic and informational calls. However, it did not result in an uptick in complaints lodged or investigations launched.<sup>10</sup>

Information obtained by employers and employees may well have resulted in greater compliance with the minimum wage provisions. But, as with paid sick days, a largely complaint-driven approach has its limits. Many low-wage workers, especially non-unionized employees with little leverage, are understandably reluctant to initiate complaints that could jeopardize their jobs or future working conditions. Immigrant workers face not only the specter of threats and firing, but of deportation. Workers may be unaware of or skeptical about provisions intended to protect them against retaliation. A 2008 National Employment Law Project survey of front-line workers in low-wage industries in New York City found that 42 percent of those who reported making complaints to their employer or government agency experienced illegal forms of retaliation from their employer. And nearly a quarter of workers said they did not make a complaint, even though they had experienced a serious problem like not being paid the minimum wage, because they were afraid of losing their job or thought it would not make a difference.<sup>11</sup> While, as mentioned earlier, the state has launched task forces to combat workplace abuses in targeted industries, more remains to be done.



Expanding Workers' Rights

# **PAID FAMILY LEAVE**

**Prior to the state's outreach campaign, 71% of New York City's low-income workers had heard little to nothing about the enactment of paid family leave.**

Awareness of policy among **working** New York City residents



## **As New York planned to begin implementing paid family leave, few low-income employees were aware of their new right.**

At the time we fielded our New York City survey in July and August of 2017, paid family leave had become law and employers had recently been allowed to begin making payroll deductions for family leave insurance premiums, but employees would not be eligible to start receiving benefits for another five months. Governor Cuomo's commitment to a successful roll-out of the new law was demonstrated by the leadership his office was taking in coordinating efforts across over 20 state agencies and partnering with advocates. The state had launched its website and plans were being made for an extensive public outreach campaign, but advertisements did not begin running until December 2017. In that context, the findings on public awareness should be viewed as a baseline prior to advertising and implementation.

That baseline reveals just how much public education is needed. Before the state embarked on its outreach campaign, 71 percent of low-income workers had heard little or nothing at all about paid family leave, compared to 59 percent of moderate and higher income employees. Across incomes, awareness was even lower among workers of color, immigrants, non-college graduates, and men. The awareness gap was particularly large among workers by educational attainment (21 percentage points): nearly half (47 percent) of workers with a college degree had heard some or a lot about paid family leave, compared to just 26 percent of those without a college education.

We found similar patterns in awareness among working women, the primary users of this benefit in other states with paid family leave. Awareness was lower among those who were less educated, immigrants, and women of color. Asian working women were least likely to be aware of the paid family leave law, with less than a quarter (24 percent) who said they had heard at least something about paid family leave.

These findings raise concerns because they mirror the experience of other states with paid family leave where researchers have found low awareness—and low use—of paid family leave among disadvantaged populations who would most stand to benefit. In all three states where paid family leave is in effect—California, New Jersey, and Rhode Island—studies have found that only about half the population has heard about the program and awareness is even lower among employees in low-wage jobs, with less education, and from communities of color.

Eileen Appelbaum and Ruth Milkman have documented limited awareness of paid family leave in California among young workers, immigrants, low-wage workers, and disadvantaged racial and ethnic minorities.<sup>12</sup> Subsequent research in California found that about 80 percent of biological mothers earning over \$72,000 took advantage of paid family leave compared to less than 60 percent of mothers with incomes under \$24,000 a year.<sup>13</sup> Similarly, in New Jersey, a 2012 survey three years after their paid leave law took effect found that nearly half (49 percent) of those with incomes of \$100,000 or more were aware of paid family leave, compared to only 29 percent of those with incomes below \$25,000.<sup>14</sup> In Rhode Island, one year after benefits began, about half of employees who experienced a qualifying life event were aware of their state program, including 65.5 percent of those earning \$100,000 or more but only 40 percent of those earning under \$20,000.<sup>15</sup>

## New York State's Paid Family Leave Law: Summary of Major Provisions

Starting January 1, 2018, New York's Paid Family Leave law will provide job-protected paid leave to employees who need time away from their jobs to bond with a new child, care for a close relative with a serious health condition, or deal with family pressures arising when a family member is deployed abroad on active military duty.

**Eligibility:** Almost all private and nonprofit sector employees will be covered, regardless of employer size, citizenship or immigration status, and whether employed full or part time. Employees working at least 20 hours or more a week will be eligible after 26 weeks of employment, and part-time employees working less than 20 hours a week will be eligible after 175 days worked. Domestic workers, such as nannies and housekeepers, are covered if they work full time for their employer. While not automatically eligible, unionized public sector workers can be covered if their union negotiates to opt in. Government workers not represented by a union can be covered if their employer opts in. Independent contractors are eligible if they have opted in and purchased paid family leave insurance coverage. (Certain categories of workers, excluded under New York State's temporary disability insurance law, are also excluded from paid family leave.)

**Benefits:** The wage replacement rate and duration of leave will be phased up over four years. During 2018, family leave insurance benefits will replace 50 percent of an employee's own average weekly wage, up to a cap of \$652.96, which is 50 percent of the statewide average weekly wage. The wage replacement rate will increase to 55 percent in 2019, 60 percent in 2020, and 67 percent in 2021. The cap will rise by the same percentages, reaching 67 percent of the statewide average weekly wage in 2021. Employees will be able to take up to eight weeks of leave in 2018, up to 10 weeks in 2019 and 2020, and up to 12 weeks starting in 2021.

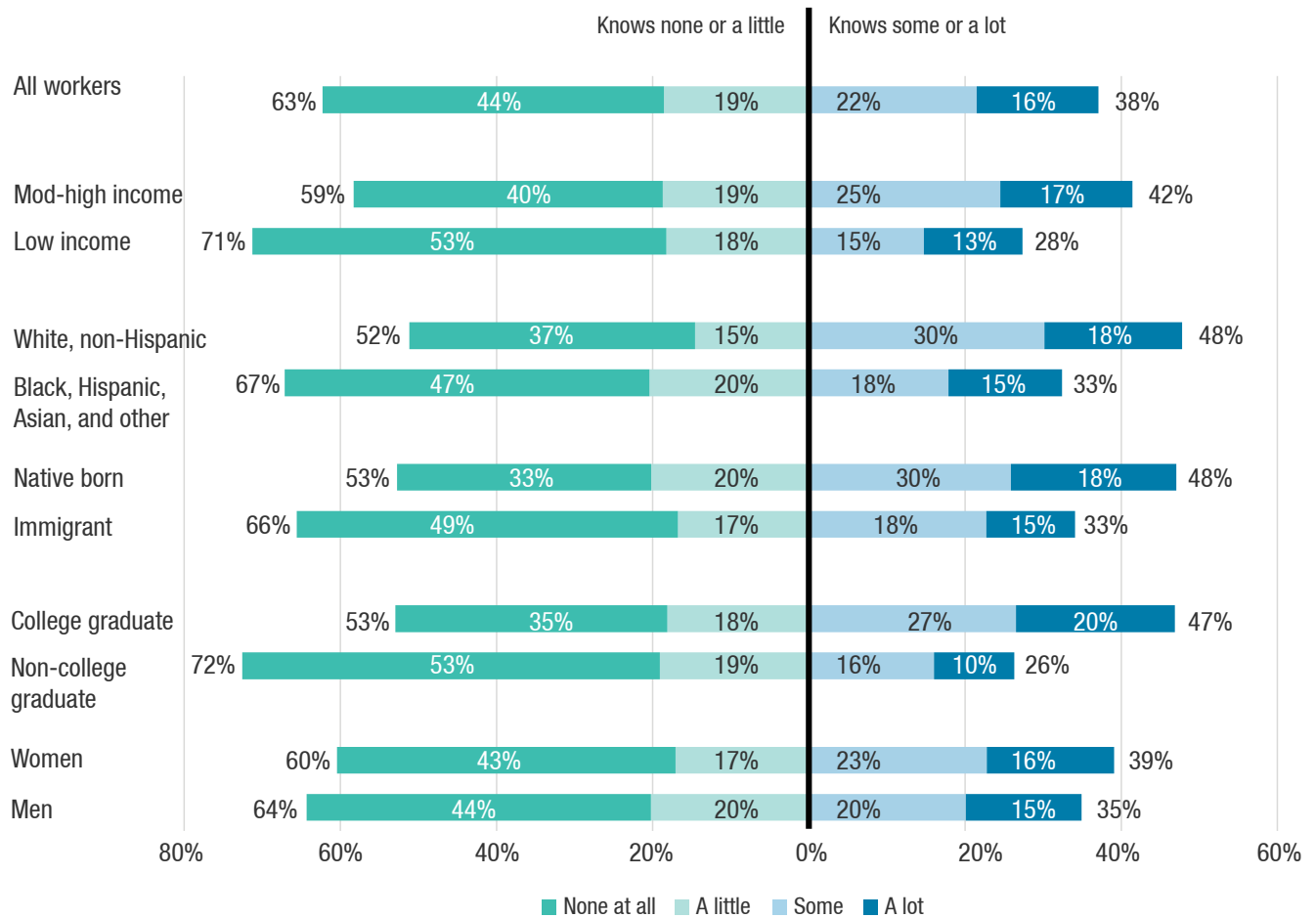
A parent may take paid family leave during the first 12 months following the birth, adoption, or fostering of a child. Employees who need to care for a family member with a serious health condition can use that leave to care for a spouse, domestic partner, child, or parent (including a step-child or step-parent), parent-in-law, grandparent, or grandchild. Leave can be taken intermittently, but must be in increments of at least one day.

**Job protection:** Employees are guaranteed their job (or a similar position) when they return to work. Employer-provided health insurance continues while on leave, but an employee must continue to make any normal contributions.

**Cost:** Employers are required to have paid family leave insurance coverage for their employees. Under the law, the small premiums—0.126% of the employee's average weekly wage up to a maximum of \$1.65 a week in 2018—are paid for by employees, through payroll deductions. For 2018, employees earning \$600 a week would pay \$0.76 for paid family leave, with the premiums rising to a maximum of \$1.65 a week for those earning \$1,305.92 or more a week. However, employers can pay these premiums if they choose.

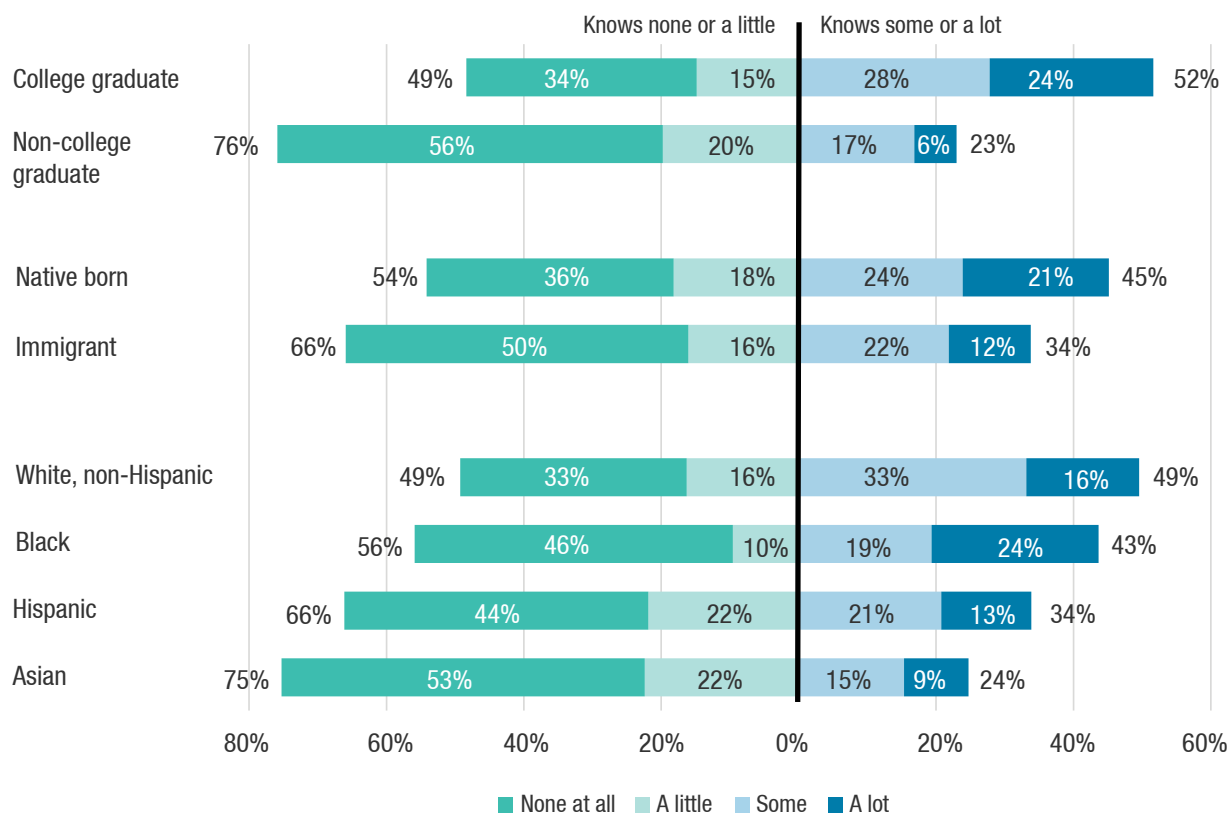
**Among working New Yorkers of all incomes: people of color, immigrants, and those with low incomes and less education, were less likely to have heard about paid family leave.**

**Q:** How much have you heard about a law in New York State that will give employees up to 8 weeks of paid family leave to care for a new baby or seriously ill family member, starting in January of 2018: a lot, some, a little, or none at all?



## Among working women: immigrants, minorities, and those with less education were less aware of New York's paid family leave law.

**Q:** How much have you heard about a law in New York State that will give employees up to 8 weeks of paid family leave to care for a new baby or seriously ill family member, starting in January of 2018: a lot, some, a little, or none at all?



**Workers more likely to need to use paid family leave—especially those in low-income households—had heard little about the new law.**

Awareness of the new law was strikingly low among employed New Yorkers more likely to need to use paid family leave. Only a quarter of low-income working women of childbearing age said they had heard something about the new law. Awareness was also limited among low-income workers who said they had needed to take more than five days of leave from their job to care for a seriously ill family member during the past three years. Only a third said they had heard something or a lot about the law that was about to take effect. Moderate and higher income younger working women and family caregivers were more likely to have heard about paid family leave; still the majority knew little or nothing about it.

New York's paid family leave law will provide the most dramatic improvement in access to leave for employees of firms with less than 50 employees. Right now, these workers are not even eligible for the up to 12 weeks of unpaid leave provided by federal law under the Family and Medical Leave Act (FMLA). Yet these employees are also less aware of their new rights. Just 27 percent of those working for businesses with under 50 employees had heard they would soon gain paid family leave, compared to 43 percent of those working for larger businesses.

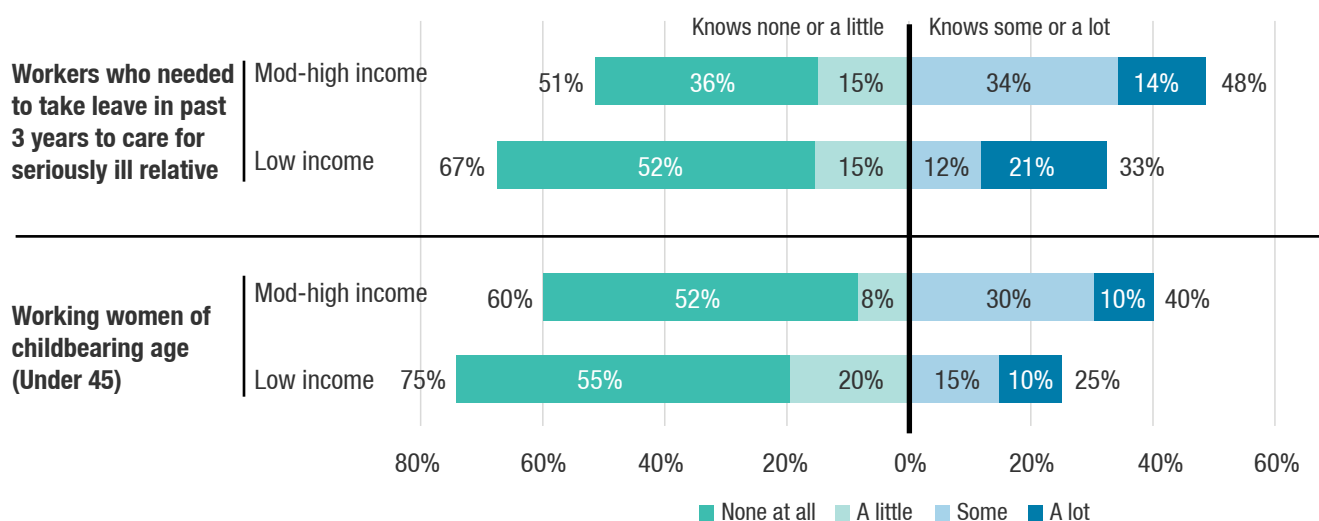
In other states, even among those who have heard about family leave benefits, misinformation and confusion about eligibility, benefits, and purposes are common. In Rhode Island, for example, of those who knew about paid leave, only 57 percent were aware that it provided job protection. The details matter. Fathers need to know that they are eligible for the same amount of leave as mothers. The wage replacement rate and the fact that leave is job-protected will factor into decisions, especially by low-income families. And paid family leave, which is often shorthand for maternity leave in people's minds, needs to be explained as covering family caregiving and needs of military families in New York. Undocumented workers may assume they

are excluded, when the New York law covers employees without regard to immigration status. Employees need to know that paid family leave is an insurance program, and they have been paying for premiums through small payroll deductions (unless their employers opted to cover the cost). In short, this is a benefit employees have paid for and are entitled to use. It is unlikely that employees will absorb all these details, unless and until they need to use paid family leave. So the challenge will be to widely communicate enough about paid family leave so that when needs arise employees can and will easily find out what they need to know to claim benefits.

**Prior to widespread public outreach, only a quarter of low-income working women of childbearing age said they had heard something about the new law.**

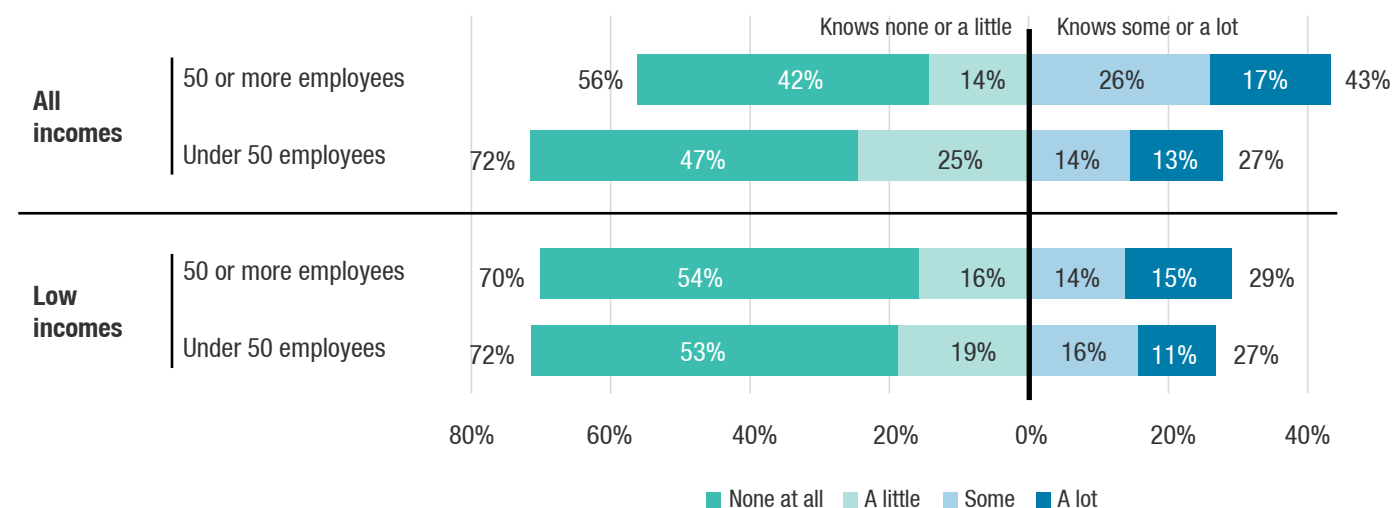
## A large majority of low-income workers most likely to need paid family leave had heard little or nothing about the new law.

**Q:** How much have you heard about a law in New York State that will give employees up to 8 weeks of paid family leave to care for a new baby or seriously ill family member, starting in January of 2018: a lot, some, a little, or none at all?



## Awareness of paid family leave is low among workers employed by small firms.

**Q:** How much have you heard about a law in New York State that will give employees up to 8 weeks of paid family leave to care for a new baby or seriously ill family member, starting in January of 2018: a lot, some, a little, or none at all?



**With the understanding that raising awareness of paid family leave will be critical to its success in New York, the state is investing in an extensive public outreach campaign to inform the public and employers.**

Starting in December 2017, New York State launched a robust advertising and outreach campaign to inform the public about their new right to paid family leave. It will include subway and bus ads, webinars, public service announcements, brochures, a website, a telephone helpline, posters, events, social media, fact sheets and FAQs geared to various constituencies, and earned media coverage. The state regularly seeks advice and feedback from paid family leave advocates who are invested in raising awareness about the law they worked to pass. Many of these groups are engaged in their own outreach efforts, running television ads, conducting trainings and webinars, as well as getting the word out among their networks, members, and constituencies. All this adds up to a much bigger investment in outreach, more than other states have done to launch paid family leave. CSS will continue to track awareness of paid family leave annually against the 2017 baseline, with particular attention to whether low-income New Yorkers understand and are able to take advantage of the promise of paid family leave.

## **Conclusion**

New York City and State have been leading the nation in expanding workers' rights. Many workers, especially those with low incomes, are benefitting as a result. But we know that passing a law does not mean the problem is instantly solved. Raising the minimum wage does not mean that all workers are now actually being paid the legally required amount. Nor does passing a sick leave law automatically result in every employer providing it. If we want to ensure that all workers benefit from the laws designed to help them, we must follow passage of laws with the persistent monitoring, outreach and enforcement needed to make them truly effective.

## Appendix A

### How the survey was conducted

The Community Service Society designed this survey in collaboration with Lake Research Partners, who administered the survey by phone using professional interviewers. The survey was conducted from July 12 to August 15, 2017.

The survey reached a total of 1,761 New York City residents, age 18 or older, divided into two samples:

- 1,132 low-income residents (up to 200% of federal poverty standards, or FPL) comprise the first sample:
  - 587 poor respondents, from households earning at or below 100% FPL
  - 545 near-poor respondents, from households earning 101% - 200% FPL
- 629 moderate- and higher-income residents (above 200% FPL) comprise the second sample:
  - 428 moderate-income respondents, from households earning 201% - 400% FPL
  - 201 higher-income respondents, from households earning above 400% FPL

This year's survey also included an oversample of 528 cell phone interviews among adult residents at up to 400% FPL and an oversample of 629 immigrant New Yorkers who have been in the country 15 years or less and are under the 200% FPL.

Interviews were conducted in English, Spanish, and Chinese.

Telephone numbers for the low-income sample were drawn using random digit dial (RDD) among exchanges in census tracts with an average annual income of no more than \$40,840. Telephone numbers for the higher income sample were drawn using RDD in exchanges in the remaining census tracts. The data were weighted slightly by income level, gender, region, age, and race in order to ensure that it accurately reflects the demographic configuration of these populations.

In interpreting survey results, all sample surveys are subject to possible sampling error; that is, the results of a survey may differ from those which would be obtained if the entire population were interviewed. The size of the sampling error depends on both the total number of respondents in the survey and the percentage distribution of responses to a particular question. The margin of error for the low income component is +/- 3.0 percentage points. The margin of error for the higher income component is +/- 4.0 percentage points.

### Historical Overview of Community Service Society of New York's Unheard Third Survey Samples

Survey Year	Survey Fielding Period	Total Sample	Low Income Sample (≤200% FPL)	Moderate-Higher Income Sample (>200% FPL)	Margin of error	
					Low income	Moderate-Higher income
2009	July 7-August 3, 2009	1,212	809	403	+/- 3.5%	+/-4.9%
2010	July 7-August 8, 2010	1,414	900	514	+/-3.3%	+/-4.4%
2011	July 5-July 31, 2011	1,419	915	504	+/- 3.2%	+/-4.4%
2012	July 8-July 25, 2012	1,468	935	533	+/- 3.2%	+/-4.2%
2013	July 22-August 16, 2013	1,475	932	543	+/-3.2%	+/-4.2%
2014	July 25-August 21, 2014	1,615	1,006	609	+/-3.1%	+/-4.0%
2015	July 19-August 17, 2015	1,705	1,052	653	+/-3.0%	+/-3.8%
2016	July 5-August 10, 2016	1,717	1,079	638	+/-3.0%	+/-4.0%
2017	July 12-August 15, 2017	1,761	1,132	629	+/-3.0%	+/-4.0%

Note: Sample size is limited to New York City residents aged 18 and older.

## Appendix B

### Phase-in schedule for the minimum wage in New York City, by sector and firm size

				Minimum wages in effect when 2017 survey was fielded					
Sector		Firm size	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018	12/31/2019	12/31/2020
General Minimum Wage		Large Employers (of 11 or more)	\$8.75	\$9.00	\$11.00	\$13.00	\$15.00		
		Small Employers (10 or less)			\$10.50	\$12.00	\$13.50	\$15.00	
Fast food		Part of a chain of 30 or more locations		\$10.50	\$12.00	\$13.50	\$15.00		
Tipped Hospitality Workers	Service Employees	Large Employers (of 11 or more)	\$5.65	\$7.50	\$9.15	\$10.85	\$12.50	\$12.50	\$12.50
		Small Employers (10 or less)			\$8.75	\$10.00	\$11.25	\$12.50	\$12.50
	Food service	Large Employers (of 11 or more)	\$5.00		\$7.50	\$8.65	\$10.00	\$10.00	\$10.00
		Small Employers (10 or less)				\$8.00	\$9.00	\$10.00	\$10.00

Rates for tipped hospitality workers refer to cash wage paid by the employer and do not include credits or allowances for tips.

Service employees in resort hotels whose tips averaged at least \$4.90 an hour received a tipped minimum cash wage of \$4.90 at the end of 2014.

Table does not show cash wages for tipped workers working in other industries outside of the hospitality industry.

Sources: New York State Department of Labor; US Department of Labor Wage and Hour Division

## Endnotes

1. Births by payer are from NYC Department of Health and Mental Hygiene, *Summary of Vital Statistics 2015: The City of New York*, August 2017, p. 78, <https://www1.nyc.gov/assets/doh/downloads/pdf/vs/2015sum.pdf>  
According to a special tabulation by the Bureau of Vital Statistics, NYC Department of Health and Mental Hygiene, in New York City during 2015, 36.9 percent of mothers who gave birth and were covered by Medicaid, were employed during their pregnancy. Email communication by Wenhui Li, December 29, 2017.
2. NYC Department of Consumer Affairs, *The State of Workers' Rights in New York City*, September 2017, p. 26-28, <https://www1.nyc.gov/assets/dca/downloads/pdf/workers/StateofWorkersRights-Report-2017.pdf>
3. CSS calculations using Current Population Survey data for firm size among employed NYC residents in households below the Federal Poverty Level. Data was pooled for 2016 and 2017 to have an adequate sample size.
4. Based on 2016 US Census American Community Survey data. Low-income is defined as below 200% of the Federal Poverty Level.
5. It might be expected that nearly all the working poor should see their earnings rise from an increase in the minimum wage. It is possible, however for workers earning above the minimum wage, and therefore not directly affected, to still fall below poverty, for example, if they work few hours or less than year-round.
6. These and the following wage theft figures are based on a CSS analysis of the Current Population Survey's Merged Outgoing Rotation Group (MORG) sample for January through October of 2017, downloaded from the National Bureau of Economic Research. Our analysis only considers New York City workers who report hourly wages and do not report an occupation code that is subject to separate tipped minimum wage guidelines. Because the minimum wage depends on employer size and the MORG does not include information on employer size, we take a conservative approach and use a prevailing minimum wage of \$10.50 to all non-fast food workers (even though the law requires larger employers of 11 or more to pay a higher minimum wage of \$11.00).
7. Other research has found that the rate of minimum wage violations was higher for workers paid on a non-hourly basis, which would contribute to an under-estimate of the prevalence of minimum wage violations based on our calculations. A 2008 survey of New York City's low-wage workforce found that 21 percent of workers in their sample were paid less than the legally required minimum wage in the previous workweek. Minimum wage violation rates varied by industry and occupation, with the highest rates among laundry and dry-cleaning workers, child care workers in private homes, and hairdressers and cosmetologists. Workers paid on a non-hourly basis and in cash also experienced higher rates of minimum wage violations. Within the low-wage workforce, minimum wage violations were most prevalent for undocumented females, less-educated, Latino, and foreign-born workers. See: Annette Bernhardt, Diana Polson and James DeFilippis, *Working Without Laws: A Survey of Employment and Labor Law Violations in New York City*, (National Employment Law Project, 2010) p. 18.
8. Press Office of New York State Governor Andrew Cuomo. "Governor Cuomo Unveils 5th Proposal of 2018 State of the State: Examine Eliminating the Minimum Wage Tip Credit to Strengthen Economic Justice in New York State." December 17, 2017, <https://www.governor.ny.gov/news/governor-cuomo-unveils-5th-proposal-2018-state-state-examine-eliminating-minimum-wage-tip>
9. Eastern Research Group, *The Social and Economic Effects of Wage Violation: Estimates for California and New York*, Final report prepared for US Department of Labor, December 2014, statewide estimate, ES-3, <https://www.dol.gov/asp/evaluation/completed-studies/WageViolationsReportDecember2014.pdf>
10. Information on the DOL outreach campaign and its impact provided in email message by Chris White, Associate Commissioner for Outreach and Special Projects, November 16, 2017.
11. Bernhardt, et. al., *Working Without Laws*, p. 3.
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