UNITED STATES DEPARTMENT OF LABOR

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DOL News Brief

February 14, 2013

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WINNER OF AVA DIGITAL 2013 GOLD AWARD
- INTERACTIVE COMMUNICATION / E-NEWSLETTER -

Black History/Our History: The Amazing Story of Ernie Green

Many of the assistant secretaries throughout the history of the U.S. Department of Labor are stars. But only one has had a movie made about him! Ernest Gideon Green was one of the "Little Rock Nine" — a group of African-American students who, in 1957, integrated Central High School in Arkansas. He was the first of the group to graduate from the school in 1958 and Martin Luther King attended the graduation with the Green family. He received his undergraduate and master's degree from Michigan State University and went on to work for the A. Phillip Randolph Education Fund. During the Carter administration (1977 to 1981), he served as an assistant secretary of labor for employment and training. He has been depicted in two made-for-television movies, portrayed by Calvin Levels in the 1981 CBS movie *Crisis at Central High* and by Morris Chestnut in the 1993 Disney Channel movie *The Earnest Green Story*. In 1999, he and the other members of the "Little Rock Nine" were awarded the Congressional Gold Medal by President Bill Clinton.

- View the Centennial Timeline
- View the Centennial Video

(Work in Progress) The Best of Our Blog

Each week, this space will bring you the best from our (Work in Progress) blog.

- Living Against the Current: Acting Secretary of Labor Harris writes about President Obama's proposal to increase the federal minimum wage to $9 by 2015. He tells the stories of several minimum wage workers he sat down with in Philadelphia, and

What's New

Boosting the Minimum Wage for America's Workers

Acting Secretary of Labor Seth D. Harris hit the road this week for conversations outside the Beltway on what increasing the minimum wage would mean for America's workers. In his State of the Union address, President Obama called for raising the federal minimum wage in stages to $9 in 2015, and indexing it to inflation thereafter. Harris was in Philadelphia on Feb. 14 to discuss the president's plan with workers from the fast food and other service sectors. They shared their stories of sacrifice and hardship, and emphasized that no one who works full-time should have to raise a family in poverty. Harris spoke about how the president's plan will boost wages for about 15 million American workers. "For them," Harris said, "being rewarded an honest day's wage for an honest day's work will help them climb into the middle class."

- Read the Blog Post
- View the Slideshow
- Read the President's Plan

Take Three: Raising the Minimum Wage

The president's plan to raise the federal minimum wage will benefit 15 million American workers, and have a positive effect on the economy. Still, there are some common myths about raising the minimum wage. We checked in with our Chief Economist Jennifer Hunt on the following three myths:

Myth: Raising the minimum wage reduces employment. *False* *Minimum wage increases have little or no adverse effect on employment as shown in independent studies from economists across the country. Additionally, a recent letter by leading economists including Lawrence Katz, Richard Freeman, Joseph Stiglitz and Laura Tyson points out that "[i]n recent years there have been important developments in the academic literature on the effect of increases in the minimum wage on employment, with the weight of evidence now showing that increases in the minimum wage have had little or no negative effect on the employment of minimum wage workers, even during times of weakness in the labor market*.

Myth: Only part-time workers are paid the minimum wage? *False* *Fifty-three percent of all minimum wage earners are full-time workers*.

Myth: Raising the minimum wage will negatively affect teen employment. *False* *Eighty-nine percent of those earning the minimum*

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notes, "Every story I hear reinforces my conviction that the president's proposal is the right thing to do — both for our economy and for our values of basic fairness."

• Veterans Employment: Our Duty: Acting Secretary of Labor Harris charts recent declines in veterans' unemployment and recommends employment and support services available from the department for veterans and military families.

The Next 20 Years of FMLA

Wrapping up a week of events commemorating the 20th Anniversary of the Family Medical Leave Act, the department co-hosted a White House roundtable on a recently released survey and the future of FMLA. Participants included work-life balance stakeholders and advocates for women, veterans, the disability community and nontraditional families, among others. Acting Secretary Harris was joined by Tina Tchen, executive director of the White House Council on Women and Girls; Jocelyn Frye, deputy assistant to the president and director of Policy and Special Projects for the First Lady; Acting Deputy Administrator of the Wage and Hour Division Mary Beth Maxwell, and Acting Director of the Women's Bureau Latifa Lyles. Demetra Nightingale, chief evaluation officer at the Department of Labor, presented highlights from the survey data.

• View the Slideshow
• Read About the FMLA Survey
• Learn About FMLA

Focus on Youth Employment

In response to global challenges facing young jobseekers, the U.S. Mission to the United Nations hosted a panel on Innovative Youth Employment Strategies for Decent Work on Feb. 7. Gerri Fiala, deputy assistant secretary of labor for employment and training, joined a panel of labor and employment specialists to discuss barriers to employment and potential solutions. Fiala advocated for employer training partnerships and department initiatives such as YouthBuild that prepare young workers to enter the labor market with the skills needed by employers. More than 100 employment specialists, academics and non-governmental organization representatives attended the event.

• Learn About YouthBuild

wage are 20 years of age or older, and studies have shown that minimum wage increases have had little or no adverse effect on teen employment.

National News

$1.3 Million in Minimum Wage Compensation Recovered

The world's largest independent provider of directory assistance and enhanced information services, kgb USA Inc., has been ordered to pay $1.3 million in minimum wage compensation to 14,568 of its current and former employees nationwide for Fair Labor Standards Act violations. A prior investigation by the Wage and Hour Division found the company misclassified employees as independent contractors, paid them a piece rate based on the number of text messages and inquiries they responded to, without regard to the number of hours they worked, and failed to record and maintain accurate records of employees' hours worked. The employees, located throughout the United States, were hired to respond to text messages from customers.

• Read the News Release

Focusing on California Residential Care Workers

Three California district offices of the Wage and Hour Division are conducting investigations of pay practices at residential care homes for the elderly and adults with disabilities. Investigators are looking at compliance with the Fair Labor Standards Act's minimum wage, overtime pay and record keeping requirements. The Sacramento District Office has identified significant concerns at the 70 homes inspected since the initiative began in October. Preliminary results indicate about 200 employees may be due more than $800,000. Violations include employers failing to count all hours as work time, including interruptions to personal time off, sleep time and meals; failing to pay employees for time spent in training and pre- and post-shift duties; and failing to include overtime pay when combining all work in a week at multiple establishments. Investigators from the West Covina (Southern California) and San Francisco district offices have begun conducting similar reviews, which will continue over the next few months.

• Read the Fact Sheet: Health Care Industry and Hours Worked
• Read the Fact Sheet: Health Care Industry and Calculating Overtime Pay

Self Employment Gets A Boost in Rhode Island

Rhode Island became the first state in the nation to be awarded a federal grant to expand the state's Self Employment Assistance program. The program offers unemployed residents in the state a chance to create their own job by starting a business. The funding will allow the state to offer intensive businesses entrepreneurial training and access to resources to help launch their own businesses. "Rhode Island is taking an important step forward to help its unemployed residents create their own jobs and perhaps start hiring employees of their own," said Jane Oates, assistant secretary of labor for employment and training.

• Read the News Release

International Scene

Invoking the Importance of Partnership and Growth

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Oil and Gas Safety in Colorado

The DJ Basin Safety Council in Denver and the Occupational Safety and Health Administration have signed an alliance to improve worker safety and health in the oil and gas industry in Colorado. "OSHA and the DJ Basin Safety Council will work together to provide resources and promote safety and health training throughout the oil and gas industry in Colorado, which will help employees identify and reduce or prevent exposure to hazardous conditions in their workplace," said Herb Gibson, OSHA's area director in Denver.
• Learn More About the Alliance Program

Supporting Communities

A number of cities around the country are taking steps to boost economic development by encouraging innovation and investments. Beaverton, Oregon, is the latest city to host a "Revitalization Roundtable" to discuss ways the city can support local businesses, create entrepreneurial opportunities and attract new jobs. Jay Williams, director of the Office of Recovery for Auto Communities and Workers, joined a group of community, business and government leaders in Beaverton this week to learn what local leaders are doing to attract investment and talk about ways they can leverage federal resources to jump start their efforts. Williams toured priority revitalization areas in Beaverton, including the Beaverton Creek District, the Round, the downtown-Broadway Avenue corridor, and the Beaverton Manufacturing Enterprise Zone.

Bakken Basin Stand-Down

A month-long safety stand-down for oil and gas industry employers operating in the Bakken Basin kicked off on Feb. 14 in Minot, N.D. The event was jointly planned by the Montana-North Dakota Chapter of the National Service, Transmission, Exploration and Production Safety Network and the Occupational Safety and Health Administration. Companies were asked to commit at least 30 minutes of their workday to discussions of their organization's goals to develop and sustain safe work practices. The stand-down was also webcast across several North Dakota cities and Sydney, Mont., making training resources and a safety inspection checklist available online to assist participants in their stand-down activities. "A voluntary safety stand-down can be very helpful in focusing all workers on the importance of safe work practices," said Eric Brooks, OSHA's area director in Bismarck, who discussed the recent fatalities in the industry. According to the Bureau of Labor Statistics, the fatality rate in the oil and gas industry is 28.8 per 100,000 workers, more than seven times higher than for all

At a dinner honoring German Minister of Labour and Social Affairs Ursula von der Leyen, acting Secretary of Labor Harris emphasized the importance of multinational partnership and economic development. In remarks at the German Ambassador's residence in Washington, D.C., on Feb. 13, Harris praised German skills training initiatives and highlighted the department's Community College and Career Training grants, which seek to improve career training programs at U.S. post-secondary schools. Harris also emphasized the importance of collective bargaining in ensuring that workers receive their fair share of growth. "We must continue to invest wisely and effectively in skills development," he said. "But workers must also have more leverage so that our investment in their skills and employability assures them a bigger paycheck, a pension and a better life." Before the dinner Harris and von der Leyen held a bilateral discussion on the upcoming G20 labor and employment ministerial meeting and other issues.
• View the Slideshow
• Read About Training Grants

News You Can Use

Keeping an Eye on Savings

One of the biggest problems facing workers today is that they could easily outlive the money that they have saved for retirement. To help address this concern, the department is working on ways to encourage employers to offer lifetime income options in their retirement plans and to also provide workers with lifetime income illustrations as part of their account statements. Speaking about those initiatives recently to plan sponsors and service providers gathered by the U.S. Chamber of Commerce, Assistant Secretary for Employee Benefits Security Phyllis C. Borzi said the administration is committed to making it easier for plan sponsors to offer workers annuity-like payments as an option in 401(k) and other retirement accounts. She said the department will soon seek public comment on lifetime income illustrations, which, she said, would be a useful tool for workers to gauge the amount of money they might need in retirement and to adjust their savings habits and investment strategies accordingly.
• Read Savings Tips for Workers
• Read the EBSA Newsletter

Assisting Former Nuclear Workers

Nearly 190 people attended three town hall meetings in Oak Ridge, Tenn., on Feb. 13, to learn about medical benefits under the Energy Employees Occupational Illness Compensation Program. Staff from the Office of Workers' Compensation Programs discussed home health care services, the Privacy Act and how to provide better service for EEOICPA claimants. At an additional town hall meeting tailored for former National Laboratory (X-10) workers, 115 attendees were provided eligibility information about a new class of workers added to the Special Exposure Cohort of the EEOICPA. On Feb. 20, similar events will take place in Española, N.M., including two town hall meetings for former Los Alamos National Laboratory workers. Staff from Española's Travelling Resource Center and OWCP's Seattle Office will assist with claims. To date, more than $9 billion in compensation and medical benefits has been paid nationwide.
• Read the Oak Ridge Release
• Attend the Española Event

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industries.
• Read the News Release

By Women and for Women

Approximately 50 community, education and government representatives participated in the Women's Bureau's Feb. 12 roundtable in Austin, Texas. Program analyst Dolores Bischof opened the program with a discussion on sustainable green jobs, workplace flexibility and trauma-informed care to help homeless women veterans. The roundtable also included a breakout session about supplemental services to empower working women veterans. The panel included representatives from the Women's Bureau, Texas Women Veterans, Austin Community College, and other local veteran organizations.
• Read the Green Guide
• Learn About Workplace Flexibility
• Download the Trauma-Informed Care Guide

Championing Equal Pay

During a recent event to commemorate the 50th anniversary of the Equal Pay Act, the Women's Bureau joined other federal agencies to share information on the impact of unequal pay on the lives and finances of women. Women's Bureau Program Analyst Deborah Pascal told the audience, "When women are not paid the same amount as men it affects the entire family, from the ability to put food on the table to educating their children, as well as negative cumulative effects on her lifetime earnings and retirement benefits." Other agencies participating in the Chicago Foundation for Women Equal Pay Roundtable included the department's Wage and Hour Division, Employee Benefits Security Administration, and the Equal Employment Opportunity Commission.
• Learn About Equal Pay for Women

Weekly UI Claims

The department reported the advance figure for seasonally adjusted initial Unemployment Insurance claims was 341,000 for the week ending Feb. 9, a decrease of 27,000 from the previous week. The four-week moving average was 352,500, an increase of 1,500 from the previous week's revised average of 351,000.

• Read the News Release

Upcoming Deadlines & Events

Open Funding Opportunities

EBSA — Getting It Right: Know Your Fiduciary Responsibilities Seminar
• March 7 — San Francisco, CA

EBSA — Health Benefits Laws Compliance Assistance Seminar

Fall Prevention in San Francisco

Federal compliance officers from the Occupational Safety and Health Administration conducted fall prevention safety training on Feb. 12 at a construction site in downtown San Francisco. The training event was part of OSHA's Fall Prevention Campaign. Compliance officers highlighted hazard awareness and the need to plan ahead to get the job done safely, provide workers fall protection and the right equipment, and train them for the proper use of the equipment. More than 80 workers attended the training and received and educational materials.
• View the Slideshow
• View the Fall Prevention Campaign Presentation
• Read About OSHA's Fall Prevention Campaign
• Read the Fall Prevention — Fact Sheet

DOL Working for You

Connecticut STEM Program Leads to Health Care Job

A Connecticut program funded by the department and geared toward placing the unemployed in science careers has helped Walter Milestone land a job. Milestone was unemployed for several years and has relied on unemployment benefits at times. "I knew it would take me longer to find a job because I was older," the 60-year-old acknowledged. He received career counseling at a local American Job Center, and then enrolled in community college courses under the Science, Technology, Engineering and Math program. Going through STEM, he believed, would show prospective employers "that I was learning new things and trying to better myself."

Milestone graduated with an associate's degree in Networking Engineering and was hired as a production manager at a large health care company. The Connecticut STEM program has had a 68 percent success rate, said Eastern Connecticut Workforce Investment Board Executive Director John Beauregard. "Of the 1,117 unemployed people statewide that enrolled in STEM, 758 of them got jobs," Beauregard said. He added that more than half of the STEM program participants were over 50, a group particularly hard hit during the recession.
• Visit the American Job Center

DOL in Action

Bacardi Bottling Cited Following Fatality of Temporary Worker

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• March 13-14 — Baton Rouge, LA

EBSA — Helping Small Business Owners with New Retirement Plan Fee Disclosures Webcast
• February 28 — Washington, DC

OFCCP — AHEAD: Alliances Helping Employers Achieve Diversity
• March 6 — San Antonio, TX

OFCCP — Compliance Assistance Seminar: Construction Contractors
• February 27 — Nashville, TN

OFCCP — Compliance Assistance Seminar: Supply & Service Contractors
• February 21 — Memphis, TN
• March 21 — Memphis, TN

OFCCP — Compliance Presentation
• February 19 — Springfield, IL
• February 26 — Burr Ridge, IL

OFCCP — Construction Best Practice Seminar
• February 21 — Milwaukee, WI

OFCCP — Construction: Nuts and Bolts
• March 12 — Dallas, TX

OFCCP — Construction Requirements
• February 21 — Omaha, NE

OFCCP — Convention for National Federation of the Blind of Massachusetts
• February 24 — Boston, MA

OFCCP — Everything You Want to Know About Adverse Impact, Records and Record Retention
• February 21 — Houston, TX

OFCCP — Good faith efforts, exceptional results!
• March 6 — San Francisco, CA

OFCCP — Maintaining Applicant Flow Data
• March 7 — Omaha, NE

OFCCP — Meet and Greet for Federal Contractors & CBOs
• March 20 — New Orleans, LA

OFCCP — Meeting with Asian

Bacardi Bottling Corp. has been cited by the Occupational Safety and Health Administration for 12 alleged safety violations following the death of a 21-year-old temporary worker on his first day on the job. In August 2012, Lawrence Daquan "Day" Davis was crushed by a palletizer machine at the company's Jacksonville, Fla., facility. Davis was cleaning glass from under the hoist of the palletizing machine when an employee restarted the machine. Bacardi had failed to train temporary employees on using locks and tags to prevent the accidental start-up of machines and also failed to ensure its employees used procedures to lock or tag out machines. "A worker's first day at work shouldn't be his last day on earth," said Assistant Secretary of Labor for Occupational Safety and Health Dr. David Michaels. "Employers are responsible for ensuring the safe conditions of all their employees, including those who are temporary."
• Read the News Release

Dentist Ordered to Pay Employees Who Raised Health Concerns

The department has secured a consent judgment ordering a Bath, Maine, dentist to pay $72,000 to two former employees and take other actions to resolve alleged violations of the anti-retaliation provisions of the Occupational Safety and Health Act. The department filed suit in September 2012 against Tammy L. Cook, doing business as Bath Family Dental, following a whistleblower investigation by the Occupational Safety and Health Administration. According to the department's complaint, Cook fired one employee and placed the other on probation, leading to her resignation, after OSHA began an inspection in response to a complaint from an employee.
• Read the News Release

Alabama Fencing Manufacturer Faulted for Safety Hazards

Tenax Manufacturing Alabama LLC has been cited by the Occupational Safety and Health Administration for violations following an inspection at the company's Evergreen, Ala., facility. The inspection was initiated as part of the agency's National Emphasis Program on Amputations. Fourteen serious and two other-than-serious violations involve failing to develop an emergency action plan, a lack of machine guarding and not providing training on the energy control program. Proposed fines total $56,296.
• Read the News Release

Wage Violations Found at North Carolina Restaurant

Los Tres Magueyes Inc. in Cary, N.C., has agreed to pay $145,636 in back wages to 13 employees following an investigation by the Wage and Hour Division that uncovered violations of the Fair Labor Standards Act. The investigation, conducted by the division's Raleigh District Office, found employees were not properly compensated for all hours worked. Investigators determined that servers were paid a direct wage of $3.15 per hour, but only for their first 40 hours of work per week and they were illegally required to contribute $200 per week from their tips toward a tip pool. Additionally, servers were not paid overtime compensation and the employer also failed to keep accurate records of hours worked, wages paid and proof of dates of birth for workers under the age of 18.
• Read the News Release

Forever 21 Cited for Repeat Struck-by and Exit Access Hazards

Forever 21 has been cited by the Occupational Safety and Health Administration with two alleged repeat violations of workplace safety standards following an inspection of the retailer's Burlington, Mass., store. An inspection found store employees faced the hazards of being struck by boxes that fell from unsecured piles of stock and of being unable to swiftly exit the store in an emergency due to a compromised emergency exit route. The Los Angeles-based retailer faces $55,000 in proposed fines. OSHA had

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American Civic Association
• February 22 — Boston, MA

OFCCP — New Bedford Working Group Meeting
• February 21 — New Bedford, MA

OFCCP — Preparing Small and New Supply and Service Contractors for an OFFCP Audit
• March 6 — Pittsburgh, PA
• March 6 — Philadelphia, PA

OFCCP — Record Keeping Required by OFCCP
• February 20 — Orange, CA

OFCCP — Women in Nontraditional Jobs
• March 7 — Columbus, OH

OFCCP — Your Construction Requirements
• February 20 — Columbus, OH

OLMS — Compliance Assistance Seminar
• February 19 — San Francisco, CA
• February 22 — Buffalo, NY
• March 5 — Dallas, TX
• March 6 — Monroe, OH

OSHA — Nationally Recognized Testing Laboratory Program Public Forum
• March 6 — Washington, DC

OWCP — Town Hall Meetings to Assist Nuclear Weapons Workers
• February 20 — Espanola, NM

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ActingSecHarris In the #Philly area? I'll be LIVE with @900amWURD at 4:45pET to make the case for a #minimumwage increase. Tune in.
4 hours ago · reply · retweet · favorite

Join the conversation

earlier cited Forever 21 for similar hazards at a New Jersey store.
• Read the News Release

Ohio Electrical Workers Union Sued

The department has filed a lawsuit against the International Brotherhood of Electrical Workers Local 82 in Dayton, Ohio, to void the union's two elections in 2012 for the office of business manager. The complaint alleges that some candidates used union equipment to create campaign literature and send campaign-related Facebook messages to union members. It also alleges that a union vehicle was used to transport campaign materials. The suit seeks to force the union to conduct a new election under the Office of Labor-Management Standards supervision.

Employees Terminated for Refusing to Return Wages Earned

Diamond Tree Experts Inc. of Salt Lake City was sued by the department after an investigation by the Wage and Hour Division found that the company discriminated against employees for exercising their rights under law. A previous investigation by the division's Salt Lake City District Office found that the company paid straight-time for all hours worked rather than overtime compensation at time and one-half employees' regular rates of pay for hours worked over 40 in a workweek, as required by the Fair Labor Standards Act. Investigators found the company paid the back wages due in that investigation, but then required employees to return the funds to the company. When one of the employees refused to do so, the employees were terminated.
• Read the News Release

New York Manufacturer Faces Fines for 23 Serious Violations

Hunter Panels LLC has been cited by the Occupational Safety and Health Administration for 23 alleged serious safety violations at its Kingston, N.Y., production plant. The manufacturer of roof insulation panels faces $123,000 in fines following an inspection by the Albany Area Office. The inspection found several deficiencies in the plant's process safety management program, requirements and procedures that must be followed with equipment involving large amounts of hazardous chemicals. OSHA's inspection also identified deficiencies in the plant's emergency response, confined space and hazardous energy control programs, lack of personal protective equipment, accumulation of combustible dust, as well as fall and respirator hazards.
• Read the News Release

New Jersey Landscaping Company Pays Back Wages to H-2B Workers

Jim Dunphy's Landscaping LLC in Edgewater Park Township, N.J., has paid $75,199 in back wages and $13,500 in civil penalties to 37 temporary guest workers on H-2B visas from Mexico. A Wage and Hour Division investigation found that the company violated the Fair Labor Standard Act when it failed to pay overtime by paying workers at straight-time rates, in cash, for hours worked beyond 40 per week. The employer also failed to pay the federal minimum wage by requiring the Mexican laborers to pay inbound and outbound transportation costs to and from Mexico, which reduced their wages below $7.25 per hour.
• Read the News Release

Accounting Firm's Employee Wage Records an Issue in Investigation

Bluefield, W.Va., accounting firm Raymond A. Froy Jr. CPA, PC, and its president Raymond A. Froy Jr., have agreed to pay $11,003 in back wages and $6,000 in liquidated damages to six employees for Fair Labor Standards Act violations. A Wage and Hour investigation unveiled that the company paid tax preparers straight-time wages for all hours worked, rather than time and one-half their regular rates of pay for hours worked in excess

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of 40 per week, as required. The employer also failed to pay two employees at least the federal minimum wage; did not record dates of birth for minor employees; and failed to make, keep and preserve adequate and accurate records of employees' wages and hours.

• Read the News Release

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