

Labor

The protection of workers' rights is crucial, not only to workers and their families, but to the country as a whole. It's vital that employees know that their retirement benefits and pensions are secure and their rights to earn a livable wage, work in a safe environment and organize are protected.

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Additional resources:

- Department of Labor
- California's Department of Industrial Relations
- Occupational Safety and Health Administration

Minimum Wage

The national minimum wage has been frozen at \$5.15 an hour since 1997. After 10 years with no increase, the purchasing power of the minimum wage has fallen to its lowest level in more than half a century. Just since 2000, America's families have seen their real income drop by almost \$1,300 a year while health insurance, gasoline and energy costs, and college tuition have increased by almost \$5,000 a year.

Rep. Eshoo and the new leadership of the 110th Congress made increasing the minimum wage a high priority. Rep. Eshoo is an original cosponsor of H.R. 2, the Fair Minimum Wage Act. Eshoo voted for and the House passed H.R. 2 on January 10th by a vote of 315 to 116. The wage increase received final congressional approval and was signed into law in May 2007.

Under the new law, the minimum wage, which has remained at \$5.15 an hour since 1997, will increase to \$7.25 an hour in three steps over two years.

- On July 24, 2007, the minimum wage increased to \$5.85.
- On July 24, 2008, the minimum wage will increase to \$6.55.
- On July 24, 2009, the minimum wage will increase, to \$7.25.

H.R. 2 includes a \$4.84 billion package of assistance for small businesses to encourage employment and create jobs.

The state minimum wage in California will increase from \$7.50 to \$8 an hour on January 1st, 2008.

Wage Discrimination

On July 31st Rep. Eshoo voted for H.R. 2831, the Ledbetter Fair Pay Act of 2007, which passed the House by a vote of 225 to 199. The legislation reverses the May 29, 2007, Supreme Court's ruling in Ledbetter v. Goodyear, which dramatically limited workers' ability to challenge discriminatory pay.

In their 5-4 decision, the majority, led by Justice Alito, ruled that a victim of pay discrimination under Title VII must file a charge within 180 days of the employer's decision to pay the employee less for an unlawfully discriminatory reason (such as race, sex, religion, etc.). Prior to the Supreme Court's ruling, the widely accepted rule in employment discrimination law was that every discriminatory paycheck was a new violation that restarts the 180-day clock. H.R. 2831 restores that precedent.

The Ledbetter decision hurt workers in several ways. Discriminatory pay is difficult to discover and many employers have policies explicitly forbidding employees from talking to one another about their pay. Discriminatory pay also tends to have a cumulative effect. What may seem like a minor discrepancy at first builds up over time. By the time the discrimination is noticed, it would be too late to file a charge under the Supreme Court's ruling.

The ruling also leads to more litigation. Under Ledbetter, an employee must file a charge with each pay decision -- in order to preserve their right to challenge discrimination -- instead of attempting to ask questions, gather information or attempt to resolve the matter informally with her employer. The decision leads to more conflict and more litigation and flies in the face of Congress's intent in Title VII to encourage more informal conciliation between employer and employee.

Pensions

Pension security has become increasingly important with the growing frequency of large companies shedding their pension liabilities through bankruptcy. This is wrong. The federal government, through the Pension Benefit Guarantee Corporation (PBGC), assumes financial responsibility for defunct pension plans. As a result of the growing number of bankruptcies, the PBGC posted a deficit of \$18.1 billion as of November 2006, the latest reporting date.

In the 109th Congress, the House attempted to address this issue with H.R. 4, the Pension Protection Act.. Unfortunately, this bill only makes the problem worse, adding \$9 billion in liabilities to the PBGC and failing to prevent other corporations from shedding their pension liabilities. For these reasons Rep. Eshoo voted against this measure which passed the House by a vote of 279-131 in July 2006 and was signed into law.

Rep. Eshoo looks forward to working with her colleagues on the Education and Labor Committee, which oversees pension issues, to ensure that retirees have the financial resources they need.

Additional Resources:

- Pension Benefit Guaranty Corporation

Workers' Rights

The evolution of labor standards has been a long and often painful process. In order to ensure the fair treatment of workers, Rep. Eshoo believes workers have the right to organize.

Rep. Eshoo is a cosponsor of H.R. 800, the Employee Free Choice Act. In March 2007, Eshoo voted H.R. 800, which passed the House by a vote of 241 to 185. H.R. 800 amends the National Labor Relations Act to create an efficient system to enable employees to join or create labor organizations, and to implement mandatory legal injunctions against companies that infringe on a worker's right to organize a union. The bill provides a simple, fair, direct method for workers to form unions by signing cards or petitions, and provides for three times the amount of actual back-pay when a worker is fired during an organizing campaign or first-contract negotiations.

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