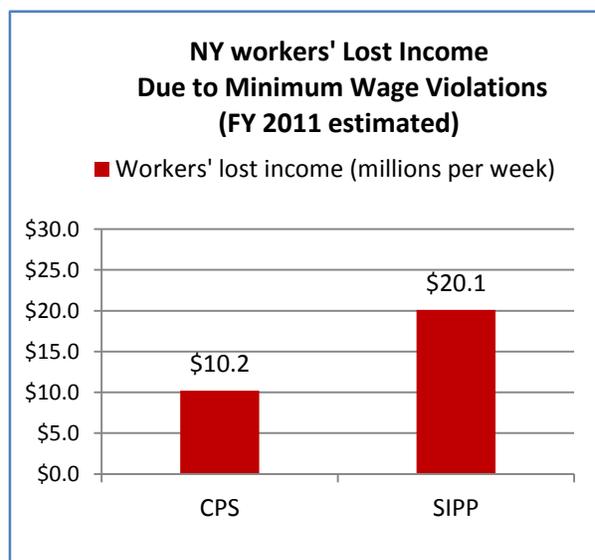
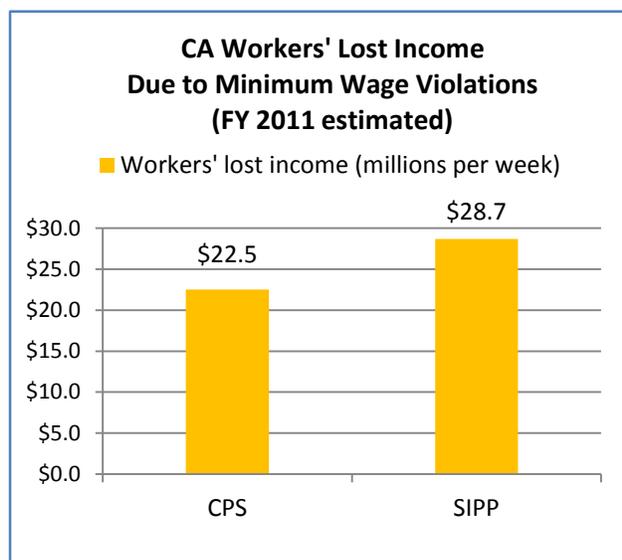


# Minimum Wage Violations Cost Workers Millions

## 1. What's the evidence?

Most employers comply with labor laws, but there are still a lot of minimum wage violations. One study estimated the extent of violations using two different sources of data – the Census Bureau's Current Population Survey (CPS) and the Survey of Income and Program Participation (SIPP). In 2011 in California and New York between 3.5 and 7.0 percent of jobs were not paid the minimum wage to which workers were entitled, representing approximately 300,000 jobs each week in each state. The consequences can be substantial for workers affected by these violations. **Violations of the minimum wage provisions of the Fair Labor Standards Act are estimated to result in an average income loss of at least 40 percent per week for workers paid in violation, and more than \$10 million dollars in total lost income per week in each state.**



## 2. What's the implication?

Failure to comply with the minimum wage provisions of the Fair Labor Standards Act (FLSA) puts an already economically vulnerable population further at risk. Paying workers in compliance with the FLSA ensures their wellbeing is not harmed by wage violations.

## 3. For more information

- Eastern Research Group (2014). [The Social and Economic Effects of Wage Violations: Estimates for California and New York.](#)
- [DOL Wage and Hour Division Information on Minimum Wage](#)