



NEW JERSEY
WORKING FAMILIES
VOTE YOUR VALUES

TESTIMONY OF ANALILIA MEJIA, Director NJ WORKING FAMILIES
ASSEMBLY WOMEN AND CHILDREN COMMITTEE

Good Morning,

First and foremost, on behalf of NJ Working Families Alliance, our partners and allies and tens of thousands of members in New Jersey, we commend Speaker Prieto and the members of the committee for taking up this critical issue that plagues more families than we should allow throughout our state.

The facts are sobering. According to a 2015 [study by Legal Services of New Jersey](#), 2.8 million New Jerseyans and 800,000 children effectively live in poverty. Despite gains made nationally, poverty is at a 50 year high, up 40 percent since the start of the Great Recession. Meanwhile the median income of New Jersey's top five percent continues to grow at a rapid pace. This disparity has led some into a false sense of security, that all is well in the Garden State.

In short, New Jersey's economy has swung fundamentally out of balance. Fortunately, this committee can play a key role in rebalancing the scales for struggling families and removing roadblocks to opportunity and basic economic security for millions.

A systemic and structural problem such as wide spread poverty can only be ameliorated through a comprehensive approach that tackles core issues that plague families. This includes the need for family sustaining wages, accessible and affordable childcare and pre-k programs, ensuring the ability for families to care for themselves when illness strikes and ensuring that our most vulnerable workers are able to have fair dependable schedules that allow them to be a part of their families lives.

The sad truth is that the deck is stacked against many working families in our state.

NJ MINIMUM WAGE CANNOT SUSTAIN NJ FAMILIES

The take home pay for a full time minimum wage worker in New Jersey is \$17,430. According to the United Way of Northern New Jersey, a single adult worker would have to earn at least \$13.78 an hour to meet basic needs. That means someone working at our current minimum wage of \$8.38 would have to work 66 hours a week to put food on the table and pay the bills. Answering a call from New Jersey Working Families and its grassroots allies, three counties -- Essex, Hudson, and Mercer -- have endorsed raising the state's minimum wage to \$15 an hour. New Jersey's two largest cities -- Newark and Jersey City -- have done the same. The state can both raise wages legislatively or through its state wage board and raise up families and our local economies similar to actions taken by neighboring states.

PAID SICK DAYS

Before we began our campaign to pass paid sick days on the local level, a staggering 1.3 million New Jerseyans couldn't take a single paid sick day to care for themselves or a family member in the event of an illness. Over the last two years, eleven municipalities have passed paid sick days laws that cover private sector workers covering nearly 200,000 workers who previously could not earn paid sick time.

- A two child family with a single working parent earning the average wage of worker without paid sick time -- \$10 an hour -- cannot miss more than three days of work without falling below the federal poverty line.
- Just three and a half days of missed work because of illness is equivalent to an entire month's groceries for the average family.

FAIR SCHEDULES

Erratic and on-call scheduling practices are becoming pervasive in retail, restaurant, janitorial, and cleaning jobs—some of New Jersey's fastest-growing and lowest-paying industries. These practices can wreak havoc on working families, and especially on working mothers.

- A study by Susan Lambert found that of 17 major U.S. corporations in the hospitality, airlines and package delivery, retail, and financial services

industries, only three gave more than a week's notice of schedules.

WAGE THEFT

A minimum wage is only as strong as it is enforceable. Unfortunately, unscrupulous employers steal millions from low-wage workers -- and cost the state vital revenue. Studies both in New Jersey and nationally have pointed to high concentrations of wage theft in the construction, food service, retail & service industries.

- Current enforcement mechanisms for New Jersey's wage laws are simply inadequate. The NJ State Department of Labor and Workforce Development Wage and Hour Division has a long administrative process that, having rendered a judgment, cannot impose penalties beyond the amount the unpaid worker is owed. Thus, an employer can steal from an employ, drag its heels for a year through the DoL process, and then only be forced to pay the amount it should have paid in the first place. Moreover, collecting on a judgment once obtained can be a challenging and often futile process in itself.
- Stopping wage theft means changing the economic calculus faced by low road employers by making streamlining the bureaucratic process and stiffening penalties for employers who steal wages from their workers.