

# The Prevailing Wage



# Watch

Volume Three, Issue Two

A NEWSLETTER FOR CONSTRUCTION WORKERS

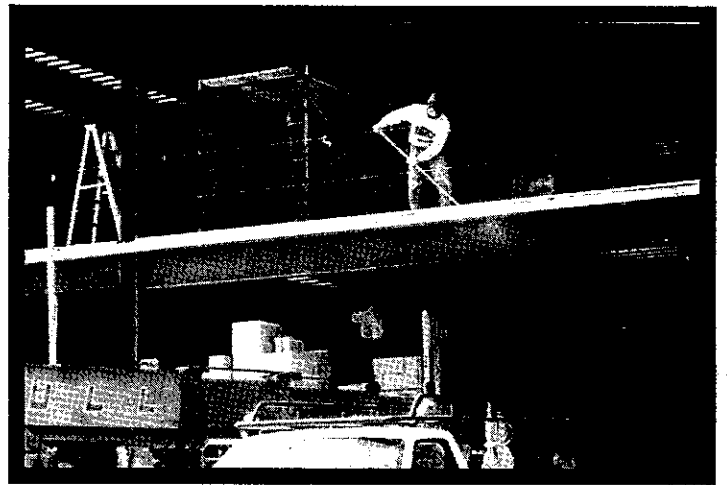
Spring/Summer, 1999

## TV Ads Warning Workers About Cheating Contractors Air Throughout Massachusetts

*Ads are first of their kind; reached 1,000,000 viewers*

If you had the TV on this spring, you may have noticed something a little unusual on the air. For four weeks in April, ads warning construction workers who work on public projects about common rip-offs practiced by unscrupulous contractors aired throughout Massachusetts. The ads, run by the Foundation for Fair Contracting, were intended to let workers know that if they work on public construction jobs in Massachusetts, they should be receiving the prevailing wage. Contractors who pay below the prevailing wage, fail to pay overtime, or misclassify their employees as independent contractors, explained the worker featured in the ads, are breaking the law. The ads encouraged workers who have been ripped off to pursue complaints against their employers. Airing on cable networks throughout the state, the ads reached close to 1,000,000 viewers.

According to Karen Courtney, Director of the Foundation, the ads are part of a much-needed effort to educate public construction workers in Massachusetts about their rights: "We hear from workers every day who are being taken advantage of by contractors who know the law but choose to break it. These television ads allowed us to reach out to more workers than ever, getting vital information right to them."



*A new advertising campaign targets public construction workers, like these on the job in Fitchburg, educating them about their rights and encouraging them to take action against cheating contractors.*

The phone lines at the Foundation for Fair Contracting have been ringing off the hook this spring, as workers from all over the state have called in response to the TV ads.

"I thought I was dreaming," said one worker, "one minute I was watching a ball game and the next thing I know there's this guy talking about his boss calling him a 1099. I'd had a feeling that maybe I was getting ripped off, but when I saw that, I had to pick up the phone and call." As it turned out, his boss had told this particular worker that it's the employer's decision whether to classify a worker as an independent contractor—not true, we were happy to tell him.

Other workers had specific questions about their work as well as their rights on the job: How long do you have to file a complaint with the Attorney General's Office? (3 years), How do you find out if a job is public?

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## Compliance Man

### Dear Compliance Man:

I worked for a contractor on and off for two years and every time I got paid, money was supposed to be taken out and put into a pension account. Last year, I went to work for somebody else and when I tried to get my pension money back, I

found out that there was no pension. He just took money out of my checks and did whatever he wanted. As far as I can tell, he's got about \$2,000 of my money. Is there anything I can do?

### Hoodwinked in Saugus

**Dear Hoodwinked:** I just drove by your old boss' house and he's having a new deck put in. Maybe you should stop by with a six pack and a couple of burgers and see if you can't put your heads together and resolve this thing.

But seriously, I've been hearing more and more about contractors who run these kind of scams and it drives me crazy. You're working hard, putting some money away to retire on and some con artist can't keep his hands off of it.

The first thing you need to do is call the folks at the Foundation for Fair Contracting (1-800-224-FAIR) and have them help you file a complaint with the Attorney General's office. As long as it hasn't been more than three years since you got ripped off, they should be able to help.

Now, for everybody else: if money is being taken out of your paychecks for a pension or a 401K, you should be receiving a report or a letter at least once a year describing how long you've been in the plan, how much money has been contributed, and the plan's financial activities over the past year. If you've never received any information like this, it's possible that there could be something shady going on. The law says that your boss has to provide you with this information once a year. If you ask him or her and they turn bright red and start muttering about times being tough, that's a sign that it may be time to seek help.

I can also recommend a couple of places to get more information. The U.S. Department of Labor's Pension

**Got a question about your rights on the job?  
Ask Compliance Man. He'll know the answer.  
send it to The Foundation for Fair Contracting,  
P.O. Box 256 Boston, MA 02133-0256**

and Welfare Benefits Department has pension advisors that you can call with any questions you might have. They can be reached at 617-565-9600. There are also some useful books that have lots of information about your rights and your employer's responsibilities when it comes to any kind of retirement plans. The Foundation for Fair Contracting has free copies available of **What You Should Know About Your Pension Rights**. Also, look for a copy of the **Pension Distribution Answer Book** at your local library.

Sorry to hear that you got taken. With any luck, we'll be able to help you get your money back. I hope that everybody else out there is on the look out for scams like this one. Remember, well informed workers keep the boss honest!

**Pay Back  
\$ Time \$**



Every month, the Foundation for Fair Contracting receives calls from hundreds of worker who've been ripped off by their employers. We help these workers file complaints with the Attorney General's office—or, if the AG doesn't want to pursue the case, we assist workers who've been cheated by helping them sue their employer in civil court for triple damages and attorney's fees. Here are some recent cases where workers have won back money from their employers:

An Operator on a North Attleborough School project was paid less per hour than he should have been. The employer also failed to pay him overtime.

**Money received: \$2,000**

A Painter on a town project in Millis was not paid by his employer. **Money received: \$8,700**

Four Laborers and Operators employed on a Brockton Transit Authority project were not paid overtime. **Money received: \$2,295**

A Painter employed on multiple public works projects was only paid \$10 per hour. **Money received: \$4,439**

Carpenters, Laborers and Operators on a bridge project in Reading were not paid the prevailing wage. **Money received: \$7,565**

**In Massachusetts, prevailing-wage enforcement is the responsibility of the Attorney General. This past January, a new AG—Tom Reilly—took office. The Foundation for Fair Contracting recently had the opportunity to ask Reilly a few questions about how he views his job and what he thinks should happen to contractors who break the law:**

WW: Where does prevailing wage enforcement fall in your list of priorities?

AG: Enforcement of the prevailing wage is a top priority for me as Attorney General. The law was designed to maintain a fair and competitive environment for businesses and employees alike, and I intend to be vigilant in ensuring that this is the case here in Massachusetts. Workers should know that they have somewhere to turn if they are being paid below the level to which they are entitled. And contractors deserve to know that they will not be placed at a competitive disadvantage because they are obeying the law.

WW: A recent survey of contractors has indicated growing frustration at the level of non-compliance with the prevailing wage law. What can you do to respond to this frustration among law-abiding employers?

AG: Successful prosecution of the most egregious violators is the most effective deterrent for those who may be considering non-compliance with the prevailing wage. Proactive education and outreach efforts are other effective tools in achieving compliance. My Fair Labor and Business Practices Division has become increasingly proactive. Last year, they created a Prevailing Wage Enforcement Team comprised of seven inspectors who have developed a particular expertise and who specialize in the investigation of prevailing wage cases. Division staff members also regularly participate in training, seminars and other outreach activities focused on educating business and labor groups about their rights and obligations under the Commonwealth's wage and hour laws.

WW: Do you think prevailing wage violators should face debarment as a penalty?

AG: On the issue of debarments as a penalty, the law is now clear. The new legislation does not give the Attorney General the authority to decide whether to debar companies for prevailing wage violations. Rather, it sets forth when such debarments should occur automatically by law, based on the nature and the scope of the violation.

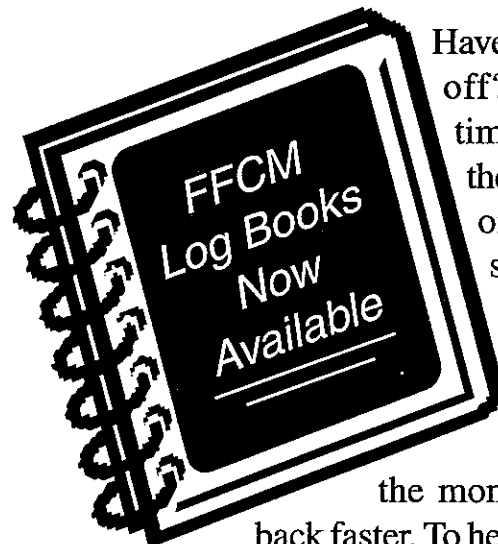
## Painting Contractor Sees Green

The Attorney General's office recently announced that one of the largest line painting companies in Massachusetts must pay \$150,633 in back wages to 44 current and former employees, after failing to pay the prevailing wage during the past two years.

**Markings, Inc.**, based in Pembroke and its president, Stephen R. Stella of Scituate, had contracted with cities and towns across the state to paint traffic lines on more than a hundred public works projects in 1997 and 1998. Employees were paid between \$8.50-\$14 per hour instead of the prevailing wage of \$23-26 per hour as set by the Division of Occupational Safety.

The employees, a number of whom originally contacted the Foundation for Fair Contracting for assistance, received settlements of \$2,000-\$8,000 a piece. The company has entered into an agreement to pay the prevailing wage in all future public jobs.

## Attention Public Construction Workers:



Have you been ripped off? Denied overtime? Paid less than the prevailing wage on a public construction job? Good record keeping is key to proving your case and getting the money you're owed back faster. To help you keep good records, the FFCM is now offering free log books. Call **1-800-224-FAIR** to order yours today!



*The Wage Watch* is published quarterly by the non-profit Foundation for Fair Contracting of Massachusetts. The FFCM mailing address is Box 256, State House Station, Boston, MA 02133. *The Wage Watch* accepts Letters-to-the-editor. For information, call 1-800-224-FAIR.

## FFCM Debuts TV Ads--Continued from front page

Call the Foundation for Fair Contracting at 1-800-224-FAIR. We'll find out who the Awarding Authority is for the job and what rate applies.

Not only have we been able to talk to lots of workers about their rights, the huge response to the TV ads has also given us plenty of new material for our "scam of the month" contest.

Here's one example: A worker who removes hazardous waste for a living had been told by his boss that the work didn't qualify as a prevailing wage job if it was an emergency. Since hazardous waste removal frequently involves emergency situation, the boss rarely felt that he was required to pay the prevailing wage. The worker has since filed a complaint with the Attorney General's office.

We also heard from a number of contractors of whom had questions about the law, and a few who called to let us know that they weren't very familiar about the Foundation for Fair Contracting's efforts to educate public construction workers about their rights.

In addition to appearing on cable stations throughout the state, stories about the ads also ran in the *Boston Globe* and *The Boston Business Journal*, as well as in weekly papers around the commonwealth.

Now we'd like to hear from you. If you saw the ad and have a question about your rights on the job, give us a call. Or if you caught the ad and just want to tell us what you thought about it, pick up the phone and do that too.

**For information about your rights  
on the job, call 1-800-224-FAIR**

## Where to Find Help

FFCM Hotline  
1-800-224-FAIR

The Industrial Accident Board  
1-617-727-4900

National Labor Relations Board  
1-617-565-6700

Occupational Health & Safety Administration  
1-617-565-7164 (OSHA)

Mass. Dept. of Labor & Workforce Development  
1-617-727-3492

U.S. Department of Labor--Wage and Hour Div.  
1-617-565-2066

Division of Apprentice Training  
1-617-727-3486

IRS--for Tax-related Questions  
1-800-829-1040

Attorney General's Office--Wage Complaints  
1-617-727-3477

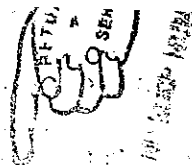
AG's Springfield Office  
1-413-784-1128


AG's Pittsfield Office  
46 Summer St. Pittsfield  
(Open Tuesday) 1-413-784-1128  
AG's Worcester Office

340 Main St., 2nd Fl., Worcester  
(Open Mon.) 1-508-792-9404

AG's Fall River Office  
(Open Tues.) 1-508-672-9026

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The Foundation for Fair Contracting  
Wage Watch  
P.O. Box 256  
State House Station  
Boston, MA 02133