

## **Senate Democratic Policy Committee Hearing**

### **“Will the Bush Administration’s Overtime Proposals Mean Less Pay and Longer Hours for American Workers?”**

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On behalf of the 1.4 million members of the United Food and Commercial Workers International Union (UFCW), I want to thank you for this opportunity to voice the concerns, the anger, and the outrage of working families across the United States over the largest, single pay cut for workers in history.

The Bush Administration, through its revised overtime regulations, proposes to cut the pay of more than 8 million working families for no other reason than to feed the greed of corporate America.

These families do the extra work to earn the extra pay to save for a home of their own, to give their kids a chance at college, to make the rent and car payments, or may be just have a little extra for a vacation or Christmas presents.

The Bush pay cut has no basis in law, in economics, or in addressing the real needs of working families.

The law providing for overtime pay has not changed. A worker’s need for family and personal time has not changed. And the need for working families to put in extra hours to earn a little more pay to make ends meet has not changed. And another thing has not changed—the greed that wants endless work for limited pay.

The Bush Administration would take us back to the 19th century while claiming it wants to “modernize” the regulations.

I will tell you there is nothing “modern” about long hours and low pay. The Retail Clerks Union, one of the unions that make up the UFCW, was formed over a century ago, specifically because retail store owners required around-the-clock hours without pay. In fact, one of the first demands of the Retail Clerks Union was an end to the practice of requiring clerks to sleep overnight in the stores.

It took almost 50 years before the law was passed that limited work hours and established overtime pay. The law has worked. Restrictions on hours have created more jobs. Overtime pay helped working families move into the middle class.

Today we see a job gap—the economy goes up but the number of jobs stays the same. Today we also see a pay gap—real income goes up at the top but drops out of the bottom for workers.

So, the logical step would be to strengthen enforcement of overtime laws.

But the Bush Administration turns logic on its head, and instead proposes to re-write the rules in a way that takes away overtime pay eligibility from millions of workers. Employers could require an increasing number of employees to work unlimited hours without overtime pay. Employers would not only pocket the money that should have gone into workers' paychecks, employers can steal the time that belongs to families, to communities, and to workers themselves.

The Bush pay cut is an assault on working families—it reduces their income and takes away their time together.

The Bush Administration would re-define “Executive,” “Administrative,” and “Professional”—the limited job categories that have always been exempt from overtime pay—to include a wide range of workers— from a lead produce clerk in a supermarket to a technician in a hospital—that have always been eligible for overtime pay. While these are skilled and valuable workers, they do not have the income or personal control of their work as do the supermarket executive and the medical doctor. To lump skilled labor into exempt job categories simply to deny them overtime is just wrong, and must be stopped.

Bush's Department of Labor claims that the intent is only to make the rules simpler and easier to apply. The real impact is to make it simpler and easier for employers to declare jobs exempt from overtime pay.

The UFCW represents workers in retail food, food processing, health care and manufacturing. We estimate that 50,000 of our members would fall under the new definitions for exempt job categories. All of them would be surprised to learn they are now “executives,” or “professionals.” They would be outraged when they find out that their new status actually means a pay cut.

I guess this is George W. Bush's idea of fairness—cuts for everybody. Tax cuts for the wealthy. Pay cuts for the workers. Of course, the wealthy wind up with more than they deserve, and the workers get less than they need.

It is time we took a stand against greed. We ask your help in making sure that workers get the pay for the hours they work, including their overtime pay. Thank you for this opportunity to voice the concerns of working Americans.