Coalition for a New Century

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New Study Finds that Century Boulevard Hotel Workers Lost $4.6 Million in Unpaid Living Wages

Janice Hahn, Bill Rosendahl Join 100 Community Leaders and Hilton LAX Workers in Calling on Hotels to Stop Opposing Wage Law

Report Marks 1-Year Anniversary of LAX Living Wage Law

Los Angeles, CA — A press conference was held today to release a new study by the Los Angeles Alliance for a New Economy which finds that Century Boulevard hotel workers have lost approximately $4.6 million in unpaid living wages as a result of legal actions that have delayed implementation of a living wage ordinance. On average, individual workers lost between $350 and $4044 a year, depending on job classification. Revenues for Century Boulevard hotels have increased an estimated $30.1 million—approximately 6 times the additional cost of complying with the ordinance.

"The $4.6 million in lost living wages could have made a significant impact in these hotel workers' lives," said Councilwoman Janice Hahn who introduced the ordinance into Council one year ago. "The hotels should stop fighting this ordinance with lawsuits and referendums, and start paying their workers a living wage."

The ordinance, passed in February 2007 by the L.A. City Council, applies the city's existing living wage rate of $10.64 an hour ($9.39 for those with employer-provided health benefits) to thousands of hotel workers who work at 13 hotels on Century Boulevard near Los Angeles International Airport. The law has not gone into effect however, due to a lawsuit filed by seven LAX hotels. While the law has been upheld by the California Court of Appeal, opponents have continued their opposition, filing a petition with the state Supreme Court. The high court has not yet ruled whether it will hear the case.

"This last year has been really difficult for me and my family, we've been living paycheck to paycheck," said Maria Luisa Avalos, housekeeper at Hilton LAX. "I know that the money I would have received from the living wage could have helped me and my family. Instead, we're still struggling to get by."

Hotels near LAX enjoy the highest occupancy rates in Los Angeles, yet many workers in these hotels still live in poverty. Century hotel workers on average earn far less than their counterparts in the rest of L.A. County, and many live in nearby communities of Lennox, Inglewood and Hawthorne, which suffer high rates of poverty, crime and overcrowding. One in four residents in these communities lives below the federal poverty line, a measure of extreme poverty, and the median household income is 25% lower than in L.A. County as a whole.

For the past year and a half, a coalition of community, civic and faith leaders has engaged in an effort to address conditions for LAX hotel workers and nearby communities. The Coalition for a New Century, which includes prominent religious, education and civic leaders, is seeking higher job standards for thousands of hotel workers on Century Boulevard, city investment in the long-neglected LAX tourism industry and a central role for adjacent communities affected by problems of poverty, crime and overcrowding.

Nearly 100 hotel workers and community leaders visited city hall today to thank Council members for their continuous support since the passing the ordinance last February, and urge them to call on Century Boulevard hotels to stop opposing this law.

"The hotel's refusal to abide by the living wage ordinance will motivate us even more to reiterate our solidarity for the under paid hotel workers & their rights," said Imam Shakeel Syed, Executive Director of the Islamic Shura Council of Southern California. "The hotel industry is booming and Century Boulevard hotel workers deserve to share in that success and earn a living wage to support their families with dignity."