

The Inadequate Penalties for Labor Law Violations

Employers have little reason to abide by the National Labor Relations Act (NLRA) because the financial disincentives of violating the law are minimal. From firing, demoting or retaliating against workers who try to band together with their co-workers to improve their working conditions, many employers blatantly violate the NLRA. Yet other major federal employment laws impose fines or damages on employers who break the law. The NLRA's nominal deterrents do little to prevent employer lawlessness compared to the costs of violating minimum wage, discrimination, and health and safety protections. If passed, the WAGE Act will address the insufficient law by increasing penalties on those who break the law and giving workers the just compensation they deserve.



Federal Law	Back Pay Paid to Employees	Employees Granted Private Right to Sue	Civil Fines or Punitive Damages	Additional Penalties
The National Labor Relations Act <i>Provides the right to organize and collectively bargain</i>	Yes 	No 	None 	None
Equal Employment Opportunity Laws <i>Prohibits employment discrimination on the basis of race, sex, age, national origin, disability and religion</i>	Yes, plus front pay 	Yes 	Punitive damages available for intentional discrimination (other than age) and retaliation claims; capped for certain claims (age discrimination claimants may receive liquidated damages equal to back pay) 	Attorney's fees, expert witness fees, and court costs; compensatory damages available for intentional discrimination (other than age) and retaliation claims; capped for certain claims
Fair Labor Standards Act <i>Establishes minimum wage and overtime standards</i>	Yes 	Yes 	Fines of up to \$1,100 for each repeated or willful violation; up to \$100,000 for a repeated or willful violation of child labor provisions, which resulted in serious injury or death, and up to \$11,000 for no-injury violations; liquidated damages equal to amount of back pay 	Imprisonment; attorney's fees and court costs; have goods enjoined from shipment or sale; compensatory damages available for retaliation claims; personal liability available
Occupational Safety & Health Act <i>Protects workplace health and safety</i>	Yes 	No 	Fines of up to \$70,000 for willful or repeat violations and up to \$7,000 for serious or other violations; up to \$250,000 for an individual and \$500,000 for a company for willful violations resulting in death 	Imprisonment
WAGE Act <i>If enacted, the bill would strengthen remedies under the NLRA.</i>	Yes, unreduced for interim earnings 	Yes 	Fines up to \$50,000 for each violation that results in discharge or serious economic harm, doubled for repeat offenders; liquidated damages equal to twice the amount of back pay 	Personal liability available