



February 17, 2025

Dear Council Member Bauman:

I am writing to ask you to support hospitality workers and stand with Trade Hotel employees and their union, the Milwaukee Area Service and Hospitality Workers' Organization (MASH).

Worker Justice Wisconsin empowers workers to stand up for their rights and brings together faith, labor and community allies to fight for worker justice. As a worker center and faith-labor coalition, we have focused on wage theft and worker collective action without fear of retaliation.

Hospitality industry standards in Milwaukee pay less than living wages. According to the Massachusetts Institute of Technology Living Wage Calculator, a single childless worker in Milwaukee needs to earn \$19 per hour with full-time hours to cross the bare minimum threshold of living wages. Workers with a child need to earn even more to take care of their families. The High Road Strategy Center at the University of Wisconsin-Madison finds that 73% of hospitality industry jobs in Milwaukee are "bad" jobs that don't pay living wages or provide full-time hours. Housekeepers, laundry attendants, cooks, servers and the like in these bad jobs amount to roughly 20,000 city residents.

Hospitality workers face an epidemic of wage theft. The U.S. Department of Labor found hospitality employment to be one of the largest sources of wage theft. The Economic Policy Institute has calculated that more than one in six workers in low-wage work, like the hospitality industry, experience wage theft, amounting to more than \$15 billion per year.

Workers in the hospitality industry experience wage theft through being paid less than the promised hourly rates or for all hours worked, employer failure to pay overtime rates as well as to pay for breaks and meal times. Hospitality industry employers also fail to pay tips and gratuities in whole or in part to workers who earn them – sometimes even keeping it for themselves or allocating to ineligible employees.

Even though all forms of wage theft are unlawful under federal law and State statute, victimized workers rarely speak up and receive their stolen wages. Federal and State agency processes are cumbersome and time-consuming. The vast majority of workers do not have representation to assist in claims and processing. But more importantly, workers fear retaliation by their employers for speaking up much less filing claims. When an employer can cut your hours or get away with discipline or discharge, workers fear losing their livelihoods. Data from the Raise the Floor Alliance and National Economic and Social Rights Initiative found that 61% of workers who complain of wage theft to their employer experience retaliation and 80% of those who complain to a government agency experience employer retaliation.

Hospitality workers face substantial workplace health and safety issues, from housekeepers flipping mattresses and laundry attendants dealing with pathogens and chemicals, to cooks working with high temperature equipment in fast-paced settings, the hospitality industry is notorious for daily

health and safety issues seen as just part of the industry. Just like with wage theft, workers rarely report health and safety issues, even in cases of accident, because they fear retaliation or even believe this is just “part of the job.”

The reality is that only with a union can hospitality workers tackle these issues. Union contracts raise wages over non-union workplaces by roughly 20% for typically low-wage work. Unions enable workers to negotiate processes for scheduling and hours. With a union contract, wage disputes are handled through grievance procedures – with employee representation and with strong prohibitions on retaliation. Union contracts enable workers to challenge unhealthy and unsafe working conditions.

For Milwaukee hospitality workers to secure good jobs and family-sustaining employment, they need union representation. That is why we strongly support the campaign of the Milwaukee Area Service and Hospitality Workers Union and Trade Hotel workers.

Worker Justice Wisconsin believes deeply in the power of collective action by workers to secure dignity and justice in their workplaces and more broadly. Only through unionization can hospitality workers win living wages in an industry that pays employees less than their value and that sufficient to support a family, prevent wage theft so rampant in this industry, deliver access to healthcare and paid time off necessary to care for themselves and their families, guarantee safe and healthy workplaces, and ensure hours and schedules that provide decent employment and a balance for work and life.

As the leading worker center in Wisconsin, we call on City of Milwaukee policy-makers to stand with Trade Hotel and all Milwaukee hospitality workers. Before considering the request by Trade Hotel owner/operator NCG Hospitality to develop a new hotel, policy-makers must examine the impacts to public health, safety and the general welfare of the hospitality working class of Milwaukee. The city does not need more “bad” jobs in the hospitality industry – and now is the time to deliver for good, union jobs for hospitality workers.

We ask you to use this moment to ensure resolution of the labor dispute at the Trade Hotel and to chart a different, better course for hospitality employment in Milwaukee.

Sincerely,

A handwritten signature in cursive script, reading "Rebecca Meier-Rao".

Rebecca Meier-Rao
Executive Director, Worker Justice Wisconsin