

Coalition for a New Century Calls on Hotels Not to Fight Living Wage Law

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Community Leaders Send Letter to Hotel Clients Warning Boycott of Hotels that Oppose California Court's Ruling

Community and clergy leaders sent a letter to clients of LAX-area hotels cautioning of an impending boycott on hotels that continue to refuse to implement the living wage law recently upheld by the California Court of Appeal.

The Coalition for a New Century, a partnership of community, civic and faith leaders, announced that it is prepared to boycott any hotel that continues to fight the wage law. A boycott of the LAX Hilton, which has been in effect since the fall of 2006, has cost the hotel nearly \$5 million in anticipated business.

The LAX Enhancement Zone Ordinance requires hotels near LAX to pay the city's living wage rate of \$10.64 an hour (\$9.39 for those with employer-provided health benefits) to 3,500 workers at 13 hotels on the Century Corridor. That wage is adjusted annually according to the Consumer Price Index to reflect cost-of-living increases. Hotels and other businesses have spent over a million dollars over the last 18 months trying to stop the living wage legislation from taking effect.

The letter provides an update to the on-going labor dispute, informs customers of the recent court victory, and applauds the efforts of some hotels which already comply with the ordinance.

'Hotels on Century Boulevard have already spent hundreds of thousands of dollars fighting the living wage ordinance, and their opposition to the wage law has cost workers millions of dollars,' said Rev. Anna Olson, Director of Clergy and Laity United for Economic Justice (CLUE), Los Angeles. 'It is time for these hotels to become responsible partners with the community and pay their workers a living wage.'

In February, seven LAX hotels filed a request with the California Supreme Court to review the ordinance, further delaying implementation of the wage law. On April 9, the Court denied their request, allowing the wage law to be enacted and go into effect in 30 days.

According to a recent study released by the Los Angeles Alliance for a New Economy, 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 the 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.

'Over the past year, the decision to challenge rather than comply with the living wage ordinance has cost workers dearly,' said Vivian Rothstein, Deputy Director of the Los Angeles Alliance for a New Economy. 'It is time for the hotels on Century Boulevard to stop fighting this law and pay their workers a living wage.'

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