



CLEAN CARS, DIRTY WORK

Worker Rights Violations in Chicago Car Washes



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September 20, 2012

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The School of Labor and Employment Relations is dedicated to excellence in scholarly research, teaching, extension, and service – advancing theory, policy, and practice in all aspects of employment relations.

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EXECUTIVE SUMMARY

In the winter and spring of 2012, the Labor Education Program of the School of Labor and Employment Relations at the University of Illinois conducted surveys of 204 employees at 57 car washes in Chicago. Surveys captured detailed information about wage and hour violations, occupational health and safety violations, and overall working conditions in the local car wash industry. The data and stories collected represent the experiences of almost one-third of car wash workers and 70 percent of full-service car wash establishments in Chicago. Results from the study revealed four critical findings:

Violations of wage and hour laws are the norm among surveyed car wash workers.

- Over three-quarters of all surveyed workers earned below the Illinois minimum wage of \$8.25 in hourly income and 13 percent earned less than \$2.00 an hour in the previous work week.
- While more than 80 percent of survey respondents worked over 40 hours in the previous work week, less than two percent of these workers earned the legal overtime rate of time and a half.

Workplace violations result in high costs for car wash workers.

- On average, survey respondents lost \$84.87 in the previous work week through not being paid mandatory minimum wages and overtime rates.
- Calculated over the course of a year, surveyed workers forfeit \$4,413.24 or almost one-third of their annual income to wage theft.

Car wash workers are living in poverty.

- Despite their support of multiple dependents, almost all surveyed workers earned below the level considered to represent a living wage in Chicago as well as the federal poverty level for a family of four.
- Almost one-quarter of study participants earned below the federal level for extreme poverty.

Chicago car washes are hazardous to workers' health and lives.

- More than half of respondents received cuts at work, over 40 percent suffered skin rashes and more than one quarter experienced nausea or dizziness from use of harsh cleaning chemicals in the previous month.
- Over 80 percent of surveyed workers did not have personal protective equipment to guard them from dangers on the job nor were they provided information from their employer about harmful occupational health hazards.
- Almost two-thirds of survey participants did not have clean and free drinking water at work and close to 60 percent had no access to a sheltered meal break area separate from their hazardous work environments.

In addition to documenting violations and working conditions, this study collected information about workers' desires for change in their workplaces. A large majority of surveyed workers were dissatisfied with their current situations and had ideas about how to improve their work in the car washes. More than anything else, workers aspired to be paid the minimum wage, be paid overtime, and feel and receive respect and dignity at work. Wage theft and dangerous jobs hurt Chicago workers and their families and adversely affect local communities and Illinois taxpayers. Enforcement of worker protections and compliance with wage, hour, and occupational health and safety laws would elevate these workers out of their substandard working conditions and help clean up the Chicago car wash industry.



INTRODUCTION

There are many things to change. Give us safety equipment for our work. Pay at least what the law says and respect us as people for the wellbeing of our families and ourselves.

- Roberto, car wash worker

A vibrant local car wash industry operates year round in Chicago, both during the sweltering summer months and freezing and salt-laden winters. Local car wash companies employ hundreds of workers, yet little research has been done to provide insight about the working conditions they face on a daily basis.

For the first time a comprehensive study of Chicago car wash work and violations of employment law has been conducted to shed light on an occupation that often operates in the shadows. Research aligned with worker advocacy campaigns in both Los Angeles and New York paved the way for collecting data about workplace violations in the car wash industry.¹ Locally, an earlier study of low wage workers conducted by the Center for Urban Economic Development at the University of Illinois at Chicago as well as stories from workers seeking assistance from Arise Chicago Workers Center indicated that low pay, long hours, and employer disregard for worker health and safety were commonplace in Chicago car washes.²

The question to be answered is whether exploitative working conditions are the practices of a few “bad apples” or if these standards are customary throughout the local industry. The findings from surveys of a large number and statistically representative sample of workers indicate that the situation facing car wash workers is far graver than previously envisioned.

Employment law violations that were measured in the Chicago Car Wash Study include not being

paid the minimum wage, not being paid the legal overtime rate, being forced to share tips with management, not being compensated for time worked off-the-clock, and not being paid on time or being paid all wages owed. Other violations of workplace law that were captured concern occupational health and safety standards. These include: no provision of free personal protective equipment to safeguard against hazards; no notification of workplace dangers and their potential harmful health impacts; no access to clean and free drinking water; and no separate and sheltered area for meal breaks.

Results from worker surveys indicate that violations of both wage and hour laws and occupational health and safety protections are rampant in the Chicago car wash industry. Car wash workers experience largescale wage theft and confront dangerous working conditions on a daily basis. As a result, most workers who participated in this study are living in poverty and are suffering regular and repeated workplace injuries.

Clearly, greater enforcement of worker rights and protections are needed to bring this local industry up to standard. Workers themselves are also dissatisfied with the current situations. A large majority of survey respondents indicated that they desire fundamental changes in their working conditions including being paid the legal minimum wage and overtime rates and feeling respect from their employers. Ultimately, many of these workers merely wanted their employers to abide by the minimum legal requirements and respect their rights so they could better support their families.

CHICAGOLAND CAR WASHES

The U.S. car wash industry consists of between 15,000 and 22,000 establishments and over 500,000 employees.³ In the City of Chicago, there are anywhere between 80 and 200 car wash companies currently in operation employing approximately 640 workers.⁴

This wide range in the number of establishments can be attributed to the diverse business models employed by car wash companies. Car wash retailers are comprised of car wash companies operating within one or more of the following categories: self-serve; in-bay automatic (also known as stationary automatic or roll-over); and conveyor. Also included in the car wash industry are equipment suppliers and wash solutions manufacturers and distributors. Additionally some car wash companies are related to other diverse business operations. Car wash companies are often connected with gasoline stations, auto body operations, and oil change and lube shops. An analysis of survey responses discovered Chicago car wash companies tied to liquor stores, cellular phone distributors, tire and rims shops, and barbershops, amongst other businesses.

At self-service car washes, customers clean their own cars using water and soap provided by the establishment.

In-bay automatic (IBA) car washes are mostly found at gas stations. The driver pulls into the bay and parks the vehicle, which remains stationary while a machine moves back and forth over the car to clean it. Self-service and IBA car washes are for the most part fully automated and do not have employees directly involved in the car washing.

Full service conveyor car washes typically require customers to exit their cars, which may then be vacuumed and placed on a conveyor belt that takes them through a tunnel where they are machine-washed. Workers then drive the cars out of the tunnel to be dried and further cleaned. Many full service car washes also offer additional premium services such as polishing, waxing, rug shampooing, and tire dressing.⁵

The Chicago Car Wash Study examined car washes classified with the NAICS code 811192, which consists of “establishments primarily engaged in cleaning, washing, and/or waxing automotive vehicles, such as passenger cars, trucks, vans, and trailers”.⁶ The latest U.S. Economic Census found 83 car wash establishments located in Chicago with the NAICS code 811192.⁷ Other NAICS codes that are used with car wash companies include: 424490 (“Other grocery products”); 447190 (“Other gas stations”); 811191 (“Automotive oil change and lubrication shops”); 333319 (“Other commercial & service machinery manufacturing”); and 423850 (“Service establishment equipment merchant wholesale”).

Although some carwash companies operate as chains, most maintain only one location. The car wash owners’ trade association claims that 90 percent of car wash facilities are owner-operated.⁸ In general, the industry is highly fragmented, with the 50 largest companies holding just 15 percent of the market nationwide.⁹

The industry’s combined annual revenue is approximately \$6 billion nationally.¹⁰ Car wash companies are labor-intensive: annual revenue per employee is about \$40,000.¹¹ The range of profit margins varies considerably from the single-digits to upwards of 25 percent depending on factors such as the local economy.¹² Car wash firm profitability is linked to favorable locations and efficient operations. Small car washes compete by maintaining good locations, while chain companies possess advantages in advertising and customer recognition.

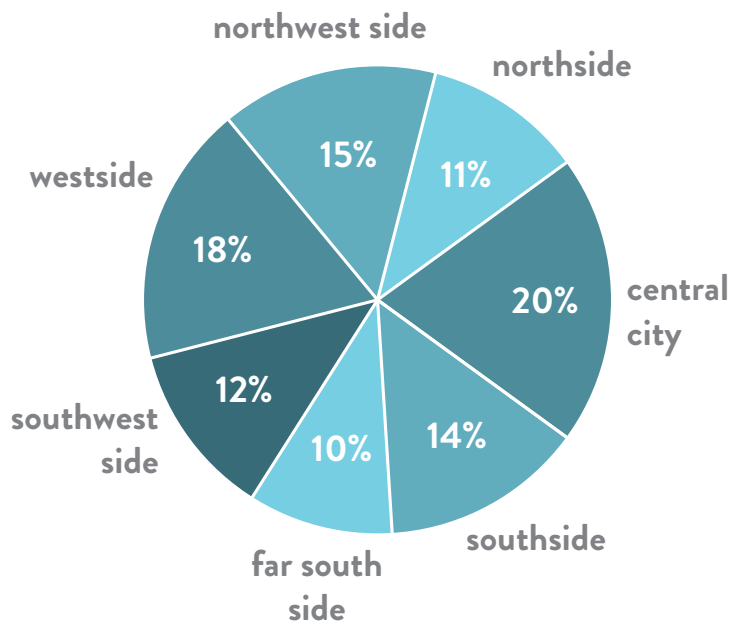
METHODOLOGY

The Chicago Car Wash Study includes the findings from a 74-item survey of 204 car wash workers employed in the City of Chicago. In order to qualify for participation in the study, all workers had to have worked in a car wash in Chicago sometime during the seven days prior to the survey and be at least 18 years old. Survey participants answered an oral questionnaire administered by trained survey interviewers. These questionnaires were conducted in both Spanish and English, which represent the primary languages spoken by car wash workers in Chicago. Workers were solicited for participation in the study as they were leaving their worksites at the end of their shifts. Survey respondents were offered a token compensation of \$5.00 for their participation in the study, though many workers declined the money. All surveys were conducted between January and June of 2012.

The 204 workers included in this study represent almost one-third of the total workforce employed by conveyor or hand car washes in the City of Chicago.¹³ This size of the surveyed population provides an accurate representation of the situation facing car wash workers in Chicago on the whole. Rather than presenting the stories of workers employed by a few “bad apples,” findings from this study reflect an entire industry that regards violations of employment law and hazardous conditions as normal business practices.

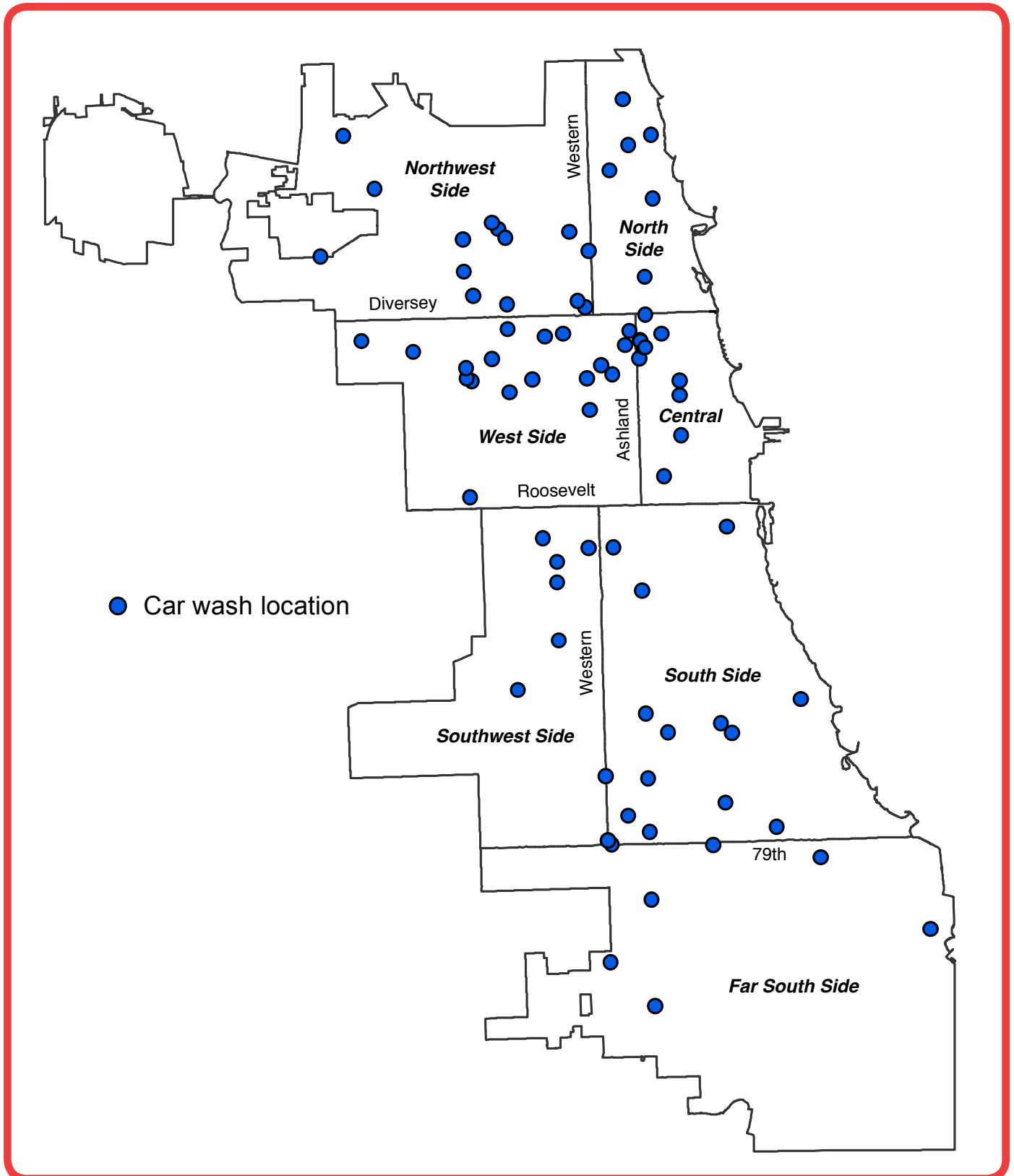
Surveys were also conducted at a representative sample of car wash operations throughout Chicago. Workers from 57 car washes were surveyed, representing almost 70 percent of the total local full-service car wash industry. These car washes were located in different geographic areas of the city, as can be seen in Figure 1. This distribution can be also seen with a map of surveyed car washes (Figure 2).

Figure 1:
LOCATION OF SURVEYED CAR WASHES ¹⁴



Source: Authors' analysis of 2012 Chicago Car Wash Study

Figure 2:
MAP OF SURVEYED CAR WASHES



WORKER CHARACTERISTICS

An almost entirely male workforce dominates the local car wash industry, as is readily apparent in the fact that only two women workers participated in this survey. The median age among survey respondents was 34 years old, and 75 percent of respondents were aged 43 years or younger.

Workers had worked for their current employers for an average of 18 months and their average tenure working in the industry was approximately 48 months.

Car wash workers in Chicago are largely immigrants, which is reflected in the fact that 84 percent of survey respondents were born outside of the United States. Almost three quarters of immigrant respondents were born in Mexico. Other countries of origin for respondents included: Honduras, Guatemala, El Salvador, Colombia, Puerto Rico, Venezuela, and Ecuador. The average length of time

immigrant respondents had resided in the U.S. was 12 years. Roughly 16 percent of surveyed workers were born in the U.S.

The vast majority (88 percent) of surveyed car wash workers self-identified as Hispanic or Latino. The remaining 12 percent identified themselves as Black or African-American.

As can be seen in Figure 3, the car wash workers that participated in this study maintained low levels of educational attainment. Roughly 84 percent of respondents had a middle school education or less, while only 16 percent had graduated high school or completed an equivalency program.

English comprehension levels for survey participants were also very low. Almost 70 percent of respondents claimed they speak English “not well” or “not at all” (Figure 4).



Figure 3:
EDUCATION

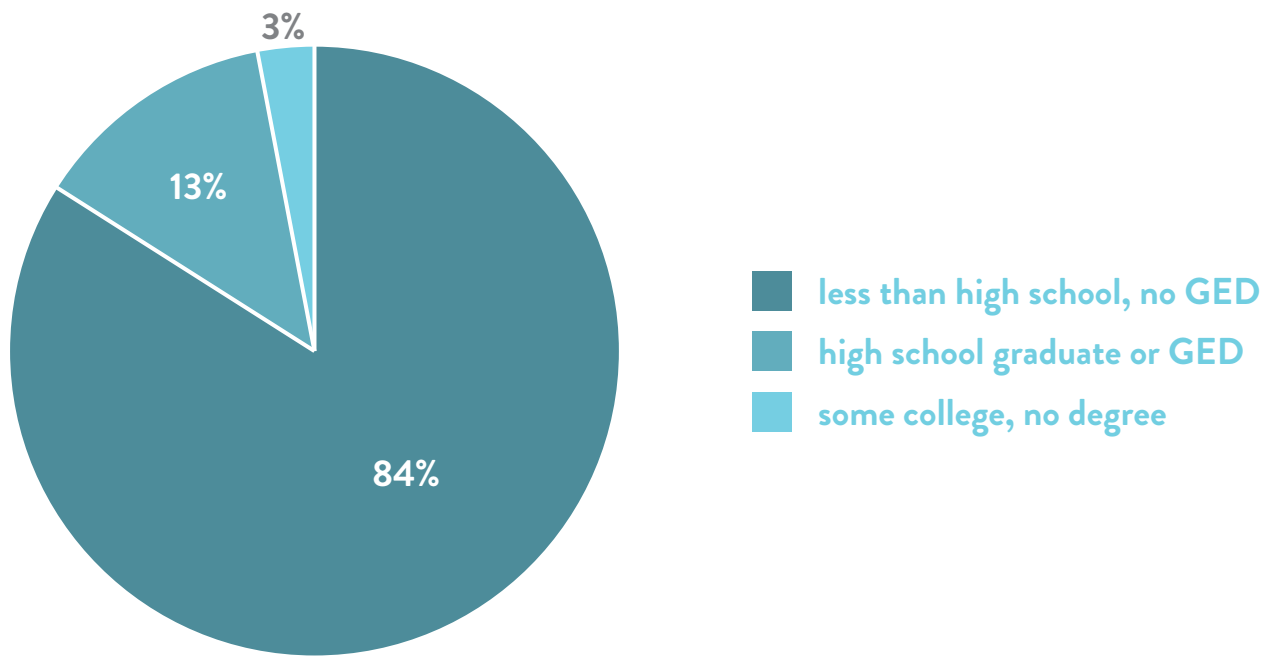
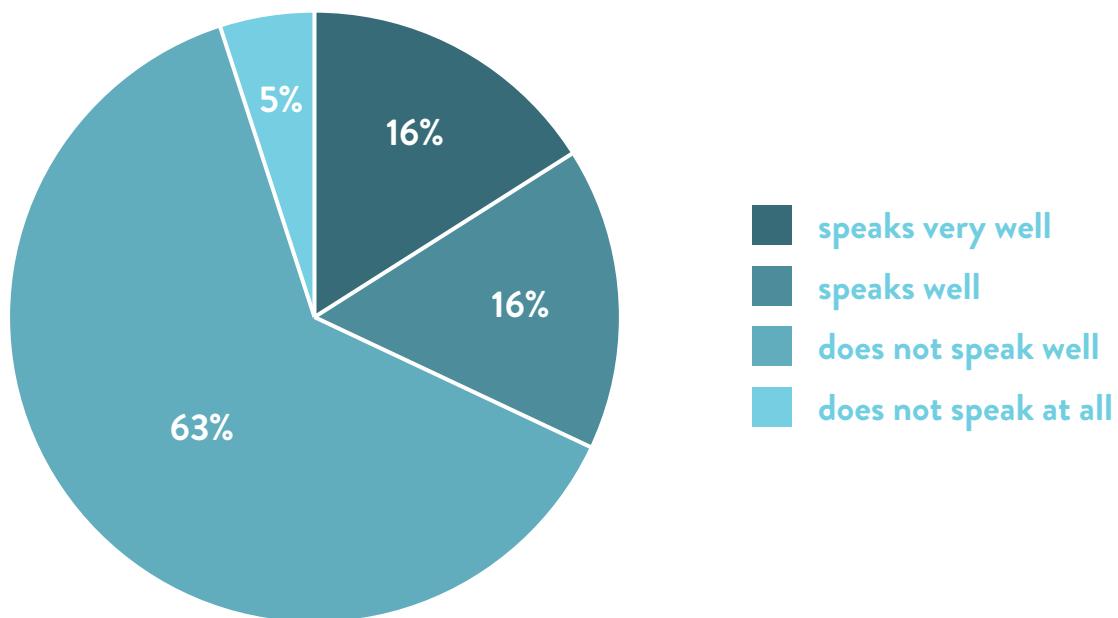


Figure 4:
ENGLISH PROFICIENCY



Source: Authors' analysis of 2012 Chicago Car Wash Study

THE WAYS WORKERS ARE PAID

Car wash workers in Chicago earn their wages in a variety of ways. As can be seen in Figure 5, two-thirds of survey respondents earned an hourly wage plus tips. Roughly 12 percent of respondents earned tips plus a rate per car washed, usually between \$1.00 and \$5.00 per car, which was often divided with other workers. A small percentage of workers earned tips plus a flat rate per day, regardless of the number of hours they worked. The flat rate was subject to variation depending on the volume of business in a given day. Approximately 7 percent of participating workers earned just an hourly wage with no tips, and almost 10 percent depended solely on tips to earn their daily wages.

Figure 6 shows the ways in which respondents received their pay. A large majority (70 percent) of respondents received their wages solely in cash.



Figure 5:
PAY TYPE

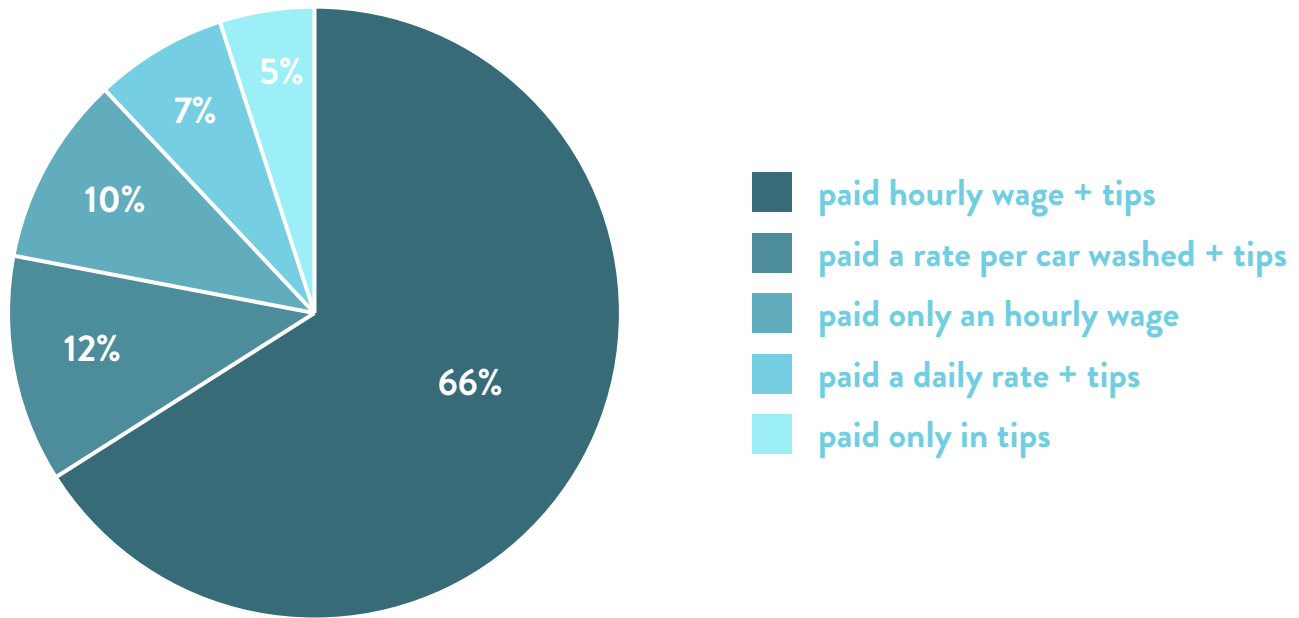
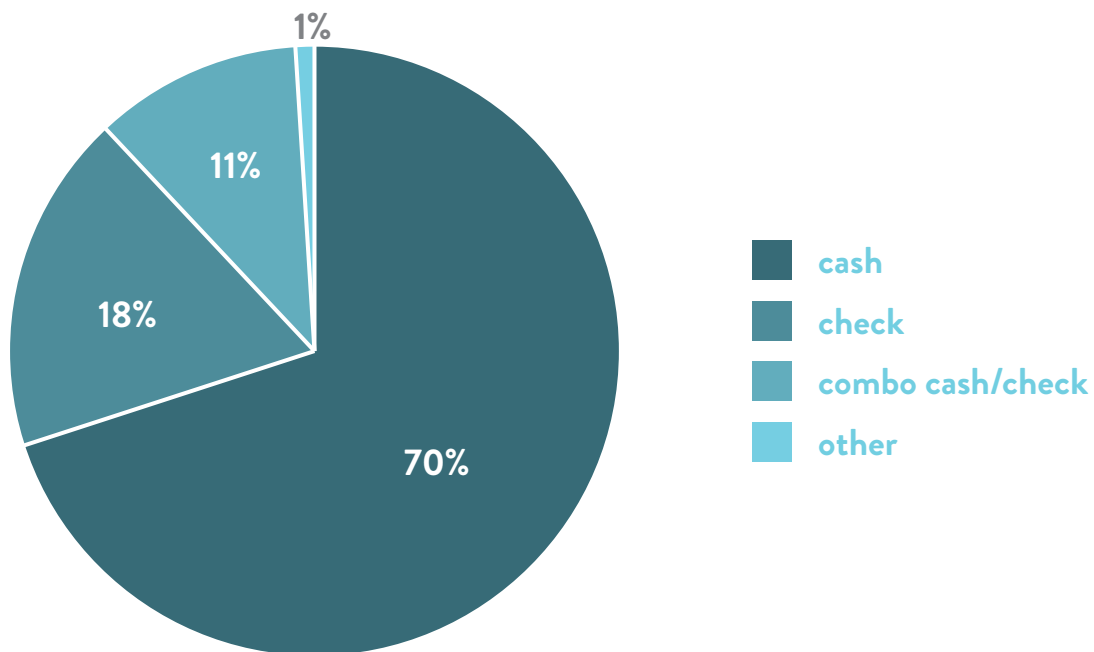


Figure 6:
FORMS OF PAYMENT



Source: Authors' analysis of 2012 Chicago Car Wash Study

WAGE AND HOUR VIOLATIONS

Long Hours, Little Pay

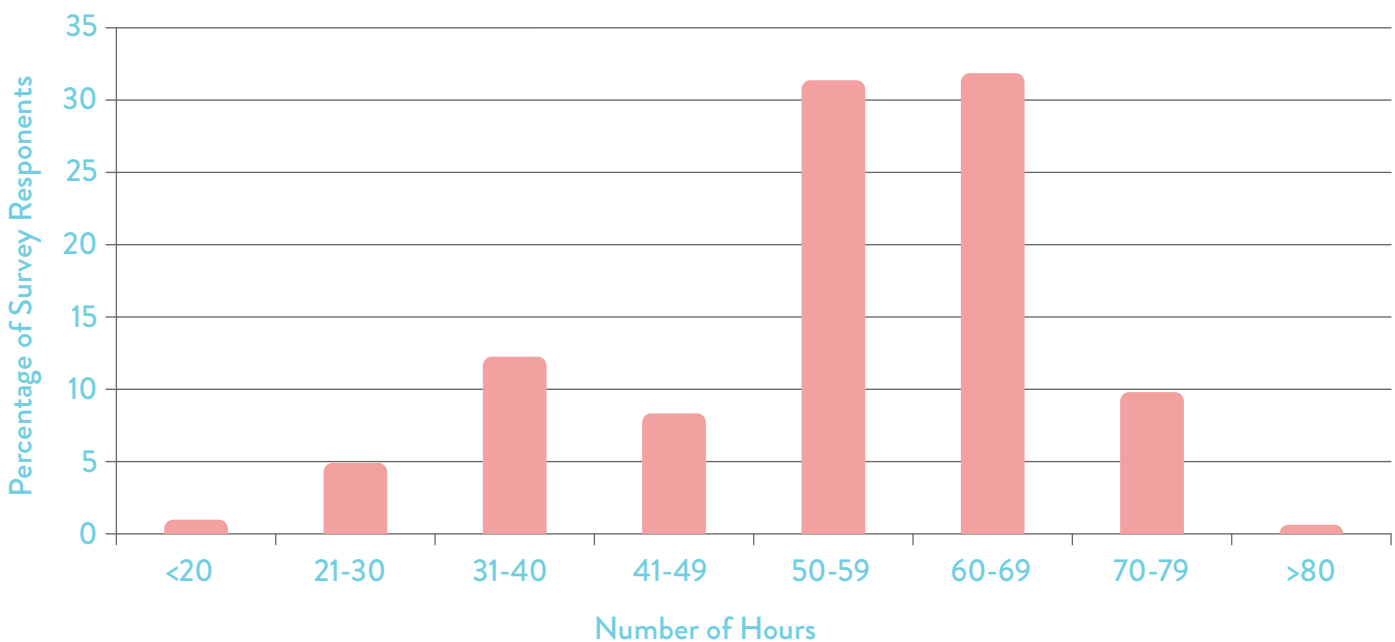
Working in a Chicago car wash means a long workday with little compensation. A standard workday requires a worker to arrive at the car wash early in the morning in order to ensure his employment for the day. However, often times he will not start earning money until the first car enters for a wash, sometimes hours later. The workday ends when the owner or manager decides it ends – perhaps when it begins to rain or snow and business slows down. The car wash may stay open until 8:00 or 9:00 pm if the weather is favorable and cars are lined up for a wash. The typical car wash worker never knows how long his shift will be or how much he can expect to earn for the day.

Findings from the study indicate that survey respondents worked an average of 54 hours in the seven days prior to their participation in the survey. As can be seen in Figure 7, roughly a third of respondents worked 50-59 hours in one week and another third worked 60-69 hours. An additional 10 percent worked between 70-79 hours.

These workers performed a variety of jobs in the car wash including hand washing cars, drying, vacuuming, and detail work. Other jobs included washing and drying towels, sweeping and cleaning the car wash facility, and shoveling snow.

Sometimes there were different rates of pay for different jobs, with skilled work such as detailing commanding slightly higher wages. Jobs such as cleaning and shoveling often resulted in lower wages, as workers performing these tasks did not earn tips.

Figure 7:
HOURS WORKED IN ONE WEEK*



Source: Authors' analysis of 2012 Chicago Car Wash Study
*Measured for the week prior to survey participation.

The minimum wage law in Illinois requires that hourly employees are compensated at least \$8.25 an hour. Tipped employees must be paid at least 60 percent of the Illinois minimum wage, or \$4.95 an hour. However, Illinois law mandates that the combined gratuities plus hourly wage of tipped employees must equal a minimum of \$8.25 an hour.¹⁵ Minimum wage laws apply to all non-exempt workers, regardless of whether or not they work full-time or part-time, are native-born citizens or immigrants, are paid an hourly wage only or paid a wage plus tips.

The average hourly income for all survey participants was \$6.59 an hour for the week prior to their participation in the study, or \$1.66 less than the legal minimum wage of \$8.25 an hour in Illinois. This figure encompasses all earnings including tips and piece rates for washed cars. Almost 76 percent of survey respondents earned less than the legally required minimum wage during this time frame, including 13 percent of workers who earned less than \$2.00 an hour (Table 1).

Survey results indicate even more substantial levels of overtime laws violations. Federal law requires non-exempt employees such as car wash workers be paid an overtime rate of time and a half for all hours worked over 40 in one week.¹⁶ The legal overtime rate for minimum wage earners in Illinois is \$12.38 an hour. Despite the fact that 82 percent of respondents worked over 40 hours in the week prior to survey participation, over 98 percent of these workers were not paid the legal overtime rate for their extra hours.

Almost 20 percent of surveyed workers were illegally forced to share their tips with a manager or the owner of their car wash, and over 11 percent of workers were not paid anything for off-the-clock work they were required to perform in the week prior to the survey. In general, hours worked include all time an employee must be on duty or at their place of work, including waiting time and periods of inactivity controlled by the employer

but not meal periods or off duty time. It is illegal to require employees to work off-the-clock without compensation.

In the 12 months prior to their participation in the survey, over 36 percent of respondents were paid late at least one time by their employer and almost 30 percent were paid less than they were owed at least one time.

Table 1:
WAGE VIOLATIONS*

75.6%	Earned below the minimum wage
13.0%	Earned below \$2 an hour
11.4%	Not paid for off-the-clock work
98.2%	Not paid the legal overtime rate
17.7%	Forced to pay tips to their employer

Source: Authors' analysis of 2012 Chicago Car Wash Study

In addition to violations of wage and overtime laws, survey respondents also experienced violations of the laws governing their breaks for meals.¹⁷ In the 12 months prior to their participation in the survey, roughly 15 percent of workers were never or only sometimes allowed to take meal breaks. Over 57 percent of respondents were interrupted by management or a customer during their meal breaks and 17 percent continued working while eating. More than 17 percent of survey respondents were never allowed to leave their worksite during their meal breaks.

*Based upon the earnings of survey respondents in the seven days prior to their participation in the survey.

Theft and Hardship

Wage theft is the illegal underpayment or non-payment of workers’ wages or benefits.¹⁸ Wage theft occurs when workers are denied the legally required minimum wage or overtime rate, when they work off the clock without pay, are paid late, or are not paid all of the money they are owed, when they are forced to share their tips with management, when they are denied benefits they are owed, when they are misclassified as independent contractors, or when they suffer from illegal deductions to their pay.

Over the course of one week, the average amount stolen from study participants in lost overtime wages alone was \$51.60. When added to the amount lost due to not being paid the legal minimum wage, this amount increased to \$84.87 per week (Table 2). Over the course of a year’s worth of work, the average wage theft for survey respondents would be \$4,413.24. The average annual income for a car wash worker participating in this study is approximately \$13,705.78. Accordingly, the cumulative wage theft experienced by these workers accounts for roughly 32 percent of their annual income. Extrapolating this figure from our study sample to the industry at large, car wash workers in Chicago lose roughly \$47,313 per week and \$2,460,297 annually as a result of violations of wage and hour laws.¹⁹

Importantly, this amount is likely a low estimate of the actual amount stolen from car wash workers on regular basis. The estimated cumulated income loss was calculated accounting for lost wages due to non-payment or underpayment of overtime hours and not being paid the legal minimum wage. It does not take into account illegal deductions from workers’ pay. Approximately 11 percent of respondents were illegally required to purchase personal health and safety equipment such as gloves, masks, and respirators when they first started working.²⁰ Five surveyed workers at three different carwashes stated they are illegally

required to pay their employers to clean their uniforms for amounts ranging from \$3.00 to \$10.00 weekly. By implication, a much larger number of workers are being forced to pay for their uniforms to be cleaned since each of these three carwashes employs multiple workers. Wage theft at one car wash assumed another unlawful form. Workers at this car wash are required to pay \$12.00 each day for the opportunity to work.

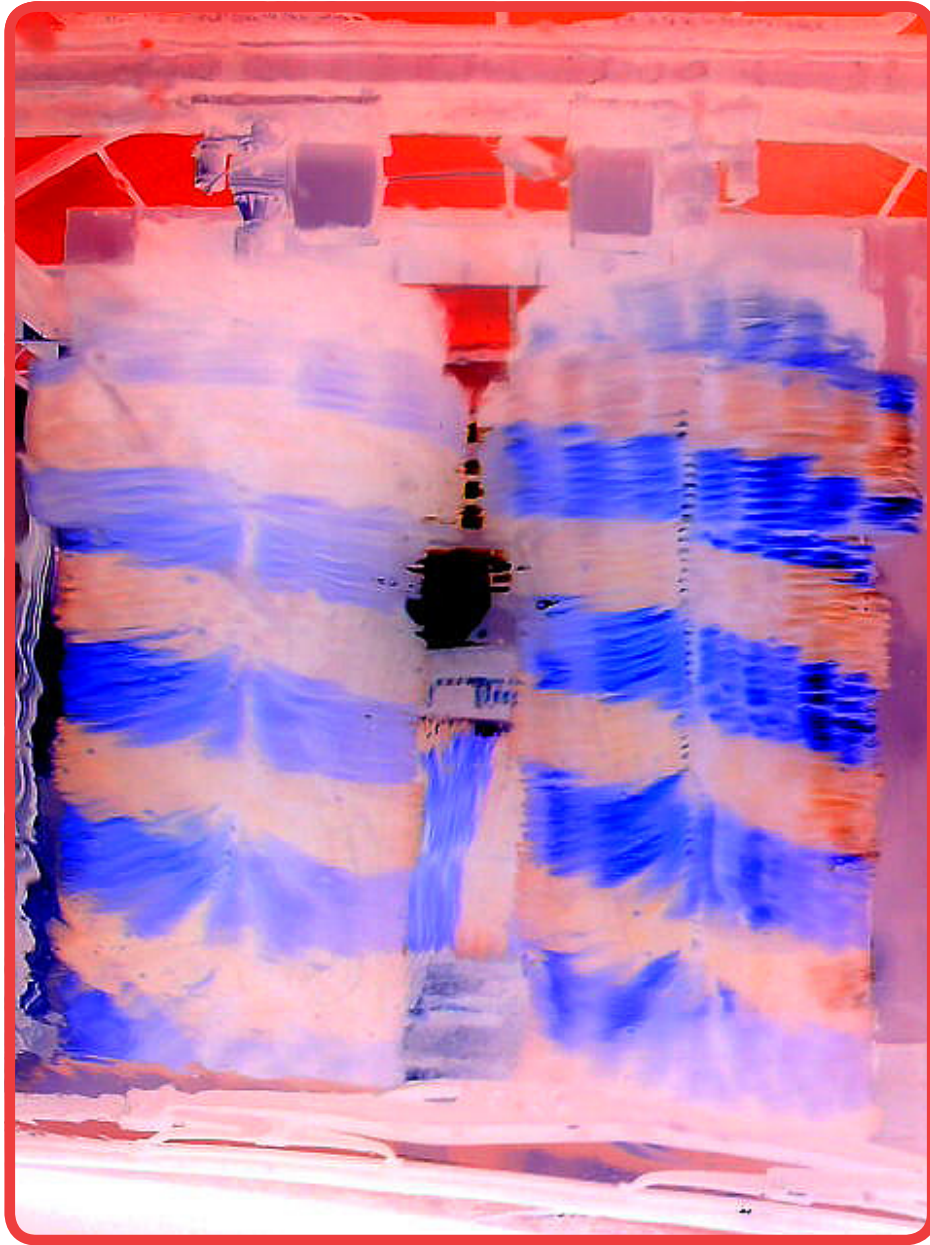
Low wages equate to poverty for the overwhelming majority of surveyed car wash workers. On average, these workers support roughly 2.5 dependents and 63 percent are currently married or living with a partner. As can be seen in Table 3, 97 percent of respondents earned below the federal poverty level for a family of four, 100 percent of respondents earned below 133 percent of the federal poverty level for a family of four, 97 percent earned below the hourly wage considered to represent a living wage in Chicago, and 25 percent earned so little as to be considered living in extreme poverty.

Only two percent of survey respondents reported that their employer offers employee health insurance. Roughly 35 percent of respondents were allowed to take vacation days, though less than 7 percent of these workers received paid vacation days. While almost three quarters of surveyed workers were allowed to take sick days, only one worker claimed his sick days were compensated.

Table 2:
WAGE THEFT

\$6.59	Average income per hour
\$13,705.78	Average income per year
\$84.87	Average wage theft per week
\$4,413.24	Average wage theft per year
32.2%	Percentage average theft of annual income

Source: Authors’ analysis of 2012 Chicago Car Wash Study



You don't know if you can survive because sometimes it rains or it's a bad day and you go home with very little money and you don't have enough to pay your bills, only enough to eat and wash your clothes... not enough to send money or buy yourself things like clothes or something else you need - these things could wait - because the most important thing is to eat and feed yourself.

-Martín, car wash worker

Violations by Geography

Differences in wages, pay type and other working conditions appeared to be related to the location of a car wash in Chicago. Survey respondents who worked for car washes located in the central or greater Loop area of the city were statistically more likely to be paid the minimum wage, earn vacation days, and be paid with a check when compared to workers at car washes located in other parts of Chicago. These workers also were statistically more likely to be paid by an hourly wage only, as opposed to an hourly wage plus tips or some other variation of pay type. All survey participants who earned an hourly wage only were paid at least the Illinois minimum wage of \$8.25 an hour. Surveyed workers employed at both South and Southwest side car washes were statistically more likely to be

paid in tips plus a rate per car washed than workers in other areas.

It is important to note this study does not attempt to ascertain why some car washes are more or less likely to violate employment laws. However, it is reasonable to speculate that one reason car wash companies located in the central Loop area of Chicago are more likely to pay the minimum wage and provide benefits is because they are probably more profitable than other Chicago car washes. Industry research indicates that location is a key factor in determining the profitability of a car wash, and the central city car washes are located on high volume and affluent corridors.²⁴

Table 3:
WORKERS' WAGES COMPARED TO WAGE STANDARDS

	Wage per hour (\$)	Workers who earned below wage level (%)
IL minimum wage	\$8.25	75.6%
Federal poverty level ²¹	\$11.08	97.3%
133% of the federal poverty level ²²	\$14.74	100.0%
Chicago's Living Wage	\$11.18	97.3%
Extreme poverty level ²³	\$5.54	24.5%

Source: Authors' analysis of 2012 Chicago Car Wash Study

HAZARDOUS CONDITIONS

In addition to experiencing rampant wage and hour violations on a daily basis, survey respondents confronted illegal and often very unsafe working conditions in their car washes. A number of serious occupational health and safety hazards are connected with car wash operations including: electrical hazards; dangerous, caustic and corrosive car wash chemicals; use of heavy and moving machinery; high noise levels; heavy lifting, twisting and pushing; vehicular traffic; flammables; obstructed and slippery pathways; and workplace violence.²⁵ Improper assessment, elimination, or remediation of workplace hazards can lead to death or grave worker injuries such as: electrical shocks and burns; chemical burns, skin irritation or dermatitis; eye injuries from chemical splashes; headaches and other health problems from vapor inhalation; hearing impairment or hearing loss; contusions, cuts, lacerations, and crushing injuries; slips or falls, broken bones, strains or sprains; hits by moving vehicles; and assaults.

Figure 8 highlights the range of injuries suffered by workers in the month prior to their participation in the survey. During this time period, more than half of workers were cut at work and over 40 percent endured rashes from working with harsh chemicals. Almost one quarter of survey respondents experienced nausea or dizziness, while 14 percent were injured from a fall and 6 percent suffered burns.

The federal Occupational Safety and Health Act (OSHA) establishes and enforces mandatory job safety and health standards for most employers in the United States, including car wash companies. OSHA requires employers to provide workers with personal protective equipment to guard against workplace dangers in the event that the hazards cannot be remediated or controlled through

engineering or substitution of safer alternatives. Examples of personal protective equipment in car washes include: anti-slip footwear to protect against wet, soapy, and greasy surfaces; gloves to protect against cuts as well as skin problems associated with use of harsh cleaning chemicals; goggles or glasses to shield eyes from spray contamination of harsh chemicals; and masks or respirators to reduce inhalation of harsh chemicals.

Under OSHA guidelines, employers must provide this personal protective equipment free of charge to their employees and must supply them with information about the potential health hazards associated with their work upon employment. OSHA also stipulates that workers must have access to free and clean drinking water as well as a separate and sheltered space for eating meals.²⁶

As can be seen in Figure 9, surveyed workers experienced serious violations of the occupational health and safety protections they are afforded under OSHA. Close to 83 percent of respondents did not work with any personal protective equipment such as gloves, goggles or masks. An almost equal number did not have anti-slip footwear or work on anti-slip surfaces. A large majority (82 percent) of workers were not provided any information about potential health and safety hazards associated with their workplace when they began working at their car wash.

Roughly two-thirds of survey participants did not have access to free and clean drinking water, despite their physical labor in often extremely hot weather. A majority of workers also did not have a covered and designated break room where they could eat their meals and warm up in cold weather. As a result, many workers were forced to eat their meals on the surfaces and alongside the hazardous chemicals with which they washed cars.

Figure 8:
WORKER INJURIES*

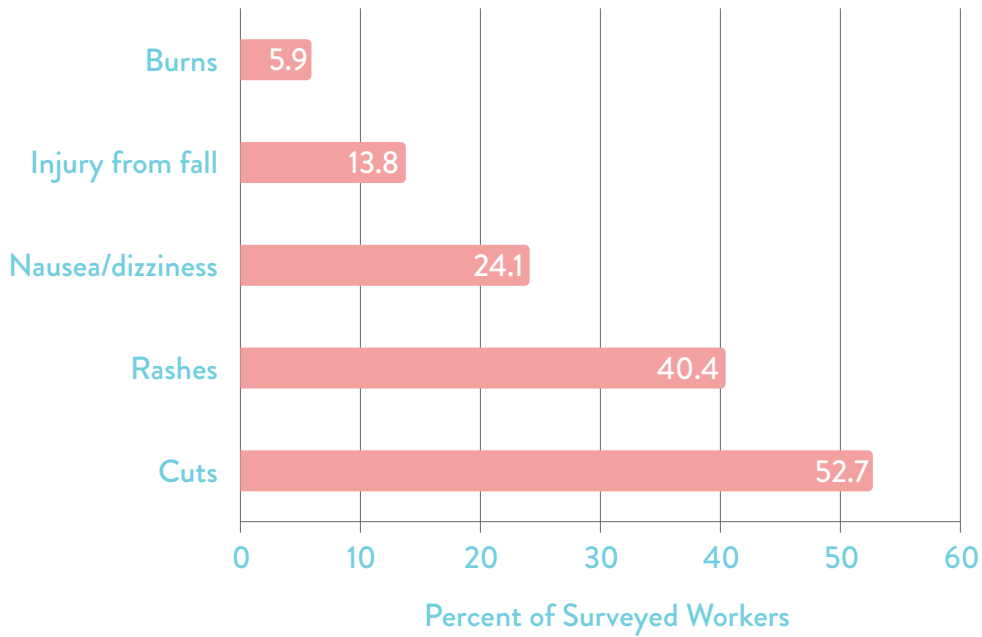
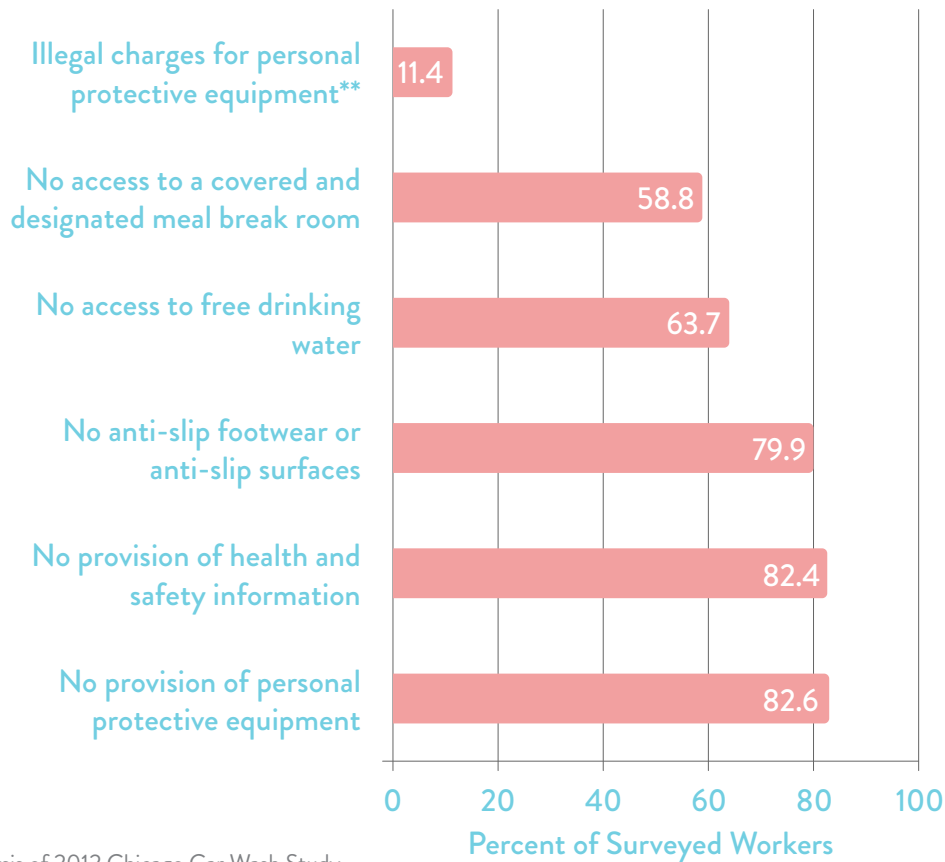


Figure 9:
HEALTH AND SAFETY VIOLATIONS



Source: Authors' analysis of 2012 Chicago Car Wash Study

*Measured for the month prior to participation in survey.

** Measured as the percentage of the total number of workers who were provided personal protective equipment.



There's a cleaner for rims - for wheels - the metal, that's very strong and sometimes you use its pure form, they don't dilute it, and there were people that were hurt because of this, that were burned by the liquid, and one time it splashed directly on my face, in my eyes, and I washed myself with cold water and I said to myself that with protective eyewear that would never have happened. But we didn't have any type of protection.

-Martín, car wash worker

Give us water and safety equipment so our health isn't put at risk. Because if we are good our families are good, too.

-Samuel, car wash worker

TOWARDS A CLEANER INDUSTRY

There is so much exploitation...If there was a change and they respected us as human beings, it would be great for us and our families and we wouldn't suffer so much.

-Chris, car wash worker

Surveyed workers revealed substantial unhappiness about the situation they face daily at work. When asked how satisfied they currently feel about their working conditions, 80 percent of workers responded that they were somewhat or very dissatisfied.

Table 4 shows the top ten items survey respondents would most like to change about their work washing cars. Perhaps not surprisingly, the top three changes desired by workers were to be paid overtime, be paid the minimum wage, and feel and receive respect and dignity at work.

Minimum wage laws exist to provide workers and their families adequate standards of living, to promote purchasing power and support job growth, and to increase the income tax base.

The Illinois Minimum Wage Act states: The existence in industries, trades or business,...and all other places of employment in the State of Illinois covered by this Act, of conditions detrimental to the maintenance of the minimum standard of living necessary for the health, efficiency, and general well-being of workers, leads to labor disputes, and places burdens on the State... and thus places an unnecessary burden on the taxpayers of this State... It is against public policy for an employer to pay to his employees an amount less than that fixed by this Act. Payment of any amount less than herein fixed is an unreasonable and oppressive wage, and less than sufficient to meet the minimum cost of living necessary for health.²⁷



With over three-quarters of survey respondents earning less than the minimum wage and 98 percent denied the legal overtime rate, these workers are largely earning wages that are “unreasonable and oppressive,” and “less than sufficient to meet the minimum cost of living necessary for health.” When workers are paid less than what they are legally owed they are unable to adequately provide for their families and are more restricted in their ability to spend money and support the local economy. Wage theft affects not only workers directly but also their communities in Chicago and Illinois taxpayers on the whole.

Car wash workers confront perilous working conditions with minimal regard for their occupational health and safety protections. Survey respondents experienced high levels of workplace injuries and lack of protective equipment to guard against dangers on the job. Despite working in wet and exposed environments, a majority of surveyed workers did not have sheltered break areas or access to free and clean drinking water. Workplace hazards put car wash workers at risk for serious injuries and fatalities.

Table 4:
TOP TEN CHANGES WORKERS WANT AT WORK

#1	42.5%	Paid overtime
#2	41.3%	Paid the minimum wage
#3	34.6%	Respect/dignity at work
#4	29.6%	Better pay
#5	25.7%	Access to safety equipment
#6	17.9%	Stop stealing wages
#7	14.5%	Health insurance
#8	6.1%	Better schedules/less hours
#9	3.9%	Access to drinking water
#10	2.2%	Access to covered shelter for meal breaks

Source: Authors’ analysis of 2012 Chicago Car Wash Study

RECOMMENDATIONS

Car wash workers in Chicago are in need of assistance from both worker organizations and governmental institutions. Programs that support worker empowerment and enforcement of workplace laws must be given a priority. Specifically, the following three initiatives are proposed for city and state officials to address the problem of workplace violations in Chicago car washes:

1. Increase and improve government enforcement of employment laws in car washes.

Government enforcement of employment laws in car washes will require new strategies for combating the industry's rampant violations as well as additional funding to increase the number of investigations. Targeted agency investigations of car washes, as opposed to investigations triggered by worker complaints, will indicate the government's priority of enforcing the law and cleaning up this industry. Agency collaborations with worker advocates would also likely enhance the process of identifying car washes with pervasive workplace violations and for soliciting worker participation in the monitoring process.

2. Create special oversight for the car wash industry in Illinois.

In 2003, the California legislature passed Assembly Bill 1688, the "Car Wash Worker Law," to address the problems of workplace violations in the car wash industry through a system of registration and enforcement. Passage of this law enabled state labor investigators to visit roughly one third of covered car washes by 2008, and assess approximately \$10.7 million in fines and penalties for labor violations and failure to register in accordance with the law.²⁸ Passage of a similar statute in Illinois would provide local authorities with a greater ability to monitor and target the violations of employment law that are endemic to the car wash industry.

3. Support educational efforts about worker rights, including health and safety training, for car wash workers.

Worker empowerment begins with knowledge about workers rights. Car wash workers who are informed of their rights on their job are better able to recognize workplace violations and protect themselves from health and safety hazards. Organizations that support workers are well prepared to provide these types of training for car wash workers. Increased funding will allow them to broaden both their reach and impact.

Results from this study expose an entire local industry where daily theft of workers' wages and dangerous working conditions appear to be industry standards rather than exceptions to the norm. The vast scope of abuse and violations and their impacts on hundreds of workers' lives demands both urgent attention and action.



ENDNOTES

- 1 Carwash Workers Organizing Committee of the United Steelworkers. 2008. “Cleaning Up the Carwash Industry – Empowering Workers and Protecting Communities.” Found at: <http://www.CleanCarwashLA.org>; Wash New York. 2012. “The Dirty Business of Cleaning NYC’s Cars: Carwash Workers Face Low Pay, Offensive Conditions, and Poor Treatment.” Found at: <http://www.washnewyork.org>.
- 2 Bernhardt, A., Ruth Milkman, and Nik Theodore, et al. 2009. *Broken Laws, Unprotected Workers – Violations of Employment and Labor Laws in America’s Cities*. Chicago: Center for Urban Economic Development, University of Illinois at Chicago.
- 3 Hoover’s, Inc. (a subsidiary of Dun & Bradstreet) business listings. Last accessed April 14, 2011. Found at: <http://www.hoovers.com> ; Illinois Environmental Protection Agency. 2002. “How do I handle my professional car wash wastewater?” Office of Small Business Publications. Last accessed May 19, 2012. Found at: <http://www.epa.state.il.us/small-business/car-wash/car-wash.pdf>.
- 4 2007 U.S. Economic Census, Last accessed May 4, 2012. Found at: <http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>; Hoover’s Inc. (2011); Yellow Pages, Inc., Last accessed June 29, 2011. Found at: <http://www.yellowpages.com/chicago-il/hand-car-wash?g=chicago%2C+il&q=hand+car+wash>.
- 5 Barry, Kevin, Marcy Koukhab, and Chloe Osmer. 2009. *Regulating the Car Wash Industry – An Analysis of California’s Car Wash Worker Law*. Los Angeles: UCLA School of Public Affairs.
- 6 NAICS is the acronym for the North American Industry Classification System which classifies businesses for the purposes of U.S. economic data analysis.
- 7 2007 U.S. Economic Census.
- 8 International Carwash Association. Last accessed April 14, 2011. Found at: <http://www.carwash.org/aboutus/Pages/default.aspx>.
- 9 Hoover’s, Inc. (2011).
- 10 Hoover’s, Inc. (2011).
- 11 Hoover’s, Inc. (2011).
- 12 Barry, Koukhab, and Osmer (2009).
- 13 The 2007 Economic Census estimates there to be 643 car wash workers in the City of Chicago.
- 14 The *Northside* is defined by the Chicago city limits as its northern boundary, Western Ave. as its western boundary, Lake Michigan as its eastern boundary, and Diversey as its southern boundary. The *Northwest side* is defined as the Chicago city limits as its northern boundary, the Chicago city limits as its western boundary, Western Ave. as its eastern boundary, and Diversey as its southern boundary. The *Westside* is defined by Diversey as its northern boundary, the Chicago city limits as its western boundary, Ashland Ave. as its eastern boundary, and Roosevelt as its southern boundary. The *Central* area is defined by Diversey as its northern boundary, Ashland Ave. as its western boundary, Lake Michigan as its eastern boundary, and Roosevelt as its southern boundary. The *Southwest side* is defined by Roosevelt as its northern boundary, the Chicago city limits as its western boundary, Western Ave. as its eastern boundary, and 79th St. as its southern boundary. The *Southside* is defined by Roosevelt Ave. as its northern boundary, Western Ave. as its western boundary, Lake Michigan as its eastern boundary, and 79th St. as its southern boundary. The *Far Southside* is defined by 79th St. as its northern boundary, the Chicago city limits as its western boundary, the Chicago city limits as its eastern boundary.
- 15 For more information see Illinois Minimum Wage Act. (820 ILCS 105/4) (from Ch. 48, par. 1004).
- 16 For more information see Code of Federal Regulations, Title 29 – Labor, Chapter V – Wage and Hour Division, Department of Labor, Part 778 – Overtime Compensation. [29 CFR § 778].

- 17 For more information see One Day Rest in Seven Act (820 ILCS 140/3) (from Ch. 48, par. 8c).
- 18 Bobo, Kim. 2009. *Wage Theft in America: Why Millions of Working Americans are Not Getting Paid – And What We Can Do About It*. New York: The New Press.
- 19 In our survey, 86.7 percent of workers suffered from at least one pay-based violation in the previous work week. This percentage was applied to the total number of car wash workers in Chicago (643).
- 20 For more information see Code of Federal Regulations, Title 29 – Labor, Chapter XVII – Occupational Safety and Health Administration, Department of Labor, Part 1910. 132(h)(1) – Payment for personal protective equipment. [29 CFR §1910.132(h)(1)].
- 21 As measured for a family of four.
- 22 As measured for a family of four.
- 23 Defined as earning below 50 percent of the federal poverty level for a family of four. See 2012 U.S. Department of Health & Human Services Poverty Guidelines. Found at: <http://aspe.hhs.gov/poverty/12poverty.shtml/>.
- 24 Hoover's, Inc. (2011).
- 25 Occupational Safety and Health Administration, Chicago North Area Office. 2011. "Fact Sheet: Workplace Hazards in a Carwash".
- 26 For more information see Code of Federal Regulations, Title 29 – Labor, Chapter XVII – Occupational Safety and Health Administration, Department of Labor, Part 1910. 141 – Sanitation. [29 CFR §1910.141].
- 27 For more information see Illinois Minimum Wage Act. (820 ILCS 105/2) (from Ch. 48, par. 1002).
- 28 Barry, Koukhab, and Osmer (2009).

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