



STATE OF NEW JERSEY

DEPARTMENT OF LABOR AND WORKFORCE DEVELOPMENT



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Jan-05-06 \$4 Million in Overtime Wages Recovered by Department of Labor and Workforce Development for Workers of Nestle Waters N.A.

TRENTON, January 5, 2006 – \$4 million in overtime wages owed to 650 workers was recovered through an agreement reached by the Department of Labor and Workforce Development (LWD) and Nestle Waters N.A. as a result of the Department's enforcement efforts, Commissioner A.J. Sabath announced today. The Department is distributing the funds to the workers to whom the wages were due.

The \$4 million in wages along with \$400,000 in penalties and fees is the second highest amount recovered from a single employer by the Department's Division of Wage and Hour Compliance. In 2004, the Department reached a settlement with Pepsi-Cola totaling \$28.5 million in back pay, penalties and fees following a protracted dispute over enforcement of the State's wage and hour laws.

"It is encouraging to see that the Department of Labor and Workforce Development and Nestle Waters N.A. were able to reach an agreement that classifies these workers properly and provides them with the wages they were entitled to receive," said Acting Governor Richard J. Codey. "We want government and businesses working together to resolve issues equitably and this agreement means more money for Nestle workers."

"This Department evenhandedly enforces the State's labor laws protecting both the rights of workers and those of employers," said Commissioner Sabath. "I am very pleased with the efforts of our Wage and Hour Compliance staffers who follow up on thousands of complaints each year. Through their diligence and commitment, the Department routinely recovers approximately \$6 million in back wages during a normal year. This year that total will be considerably higher due to the settlement."

Under New Jersey law, employers must pay wages of one-and-a-half times the regular pay rate for time that employees work beyond 40 hours in a week. Nestle Waters, N.A., had classified drivers as sales staff who would not normally be entitled to overtime pay.

"In the case of the Nestle workers, our investigation found that about 650 workers had not been properly paid for overtime hours that they worked. The company had classified them as sales staff and as such they would not normally be entitled to the overtime pay," said Commissioner Sabath. "I commend Nestle Waters for their cooperation in the investigation. The company worked with LWD staff to identify the workers the Department felt were underpaid. When the Department presented its findings to Nestle Waters, the company worked with our legal staff to expeditiously reach a settlement and to provide the wages owed."

The average payment amounted to around \$6,000, although some workers were owed as much as \$20,000.

Workers who wish to file a complaint about overtime pay or other wage issues can contact LWD's Division of Wage and Hour Compliance by calling (609) 292-2305.

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