

Appeals Court \$1.5M Wage & Hour Decision Could Change Piece Work in California

/EINPresswire.com/ If you're being paid on a "piece rate" basis, your compensation is about to change in your favor, thanks to [wage and hour ruling](#) by the California 2nd District Court of Appeal on March 6, 2013, reports [Los Angeles employment lawyer](#) Eric Grover.

The class-action case that involved over 100 automotive service technicians, Gonzalez v. Downtown LA Motors, LP, (DTLA) examined the way that "piece rate" workers are paid for time spent on other the piece rate activity.

In the original lawsuit DTLA contended that workers are not entitled to separate hourly compensation for any time not spent performing assigned auto repairs. Typically mechanics perform other duties, like cleaning the shop and running errands without pay while waiting for customers to arrive with vehicles to repair.

According to the lawsuit, "DTLA's mechanics were compensated based on a piece rate known as 'flag hours,' which pays a set number of hours for a particular repair, regardless of the actual time the mechanic takes to complete a repair. DTLA guaranteed the mechanics' the minimum wage for all hours worked, whether they were making repairs, waiting for work, running to get parts or just doing menial tasks around the shop. This was accomplished by paying the difference between the workers' pay for a specific task and the minimum wage for the total number of hours worked during a pay period. The lower court ruled that this pay arrangement violated the minimum wage requirement in California by averaging total pay across the total hours worked. The court mandated that DTLA is required to pay a separate hourly rate for any time the mechanics were not actively engaged in repairs. The ruling is what prompted DTLA to file the appeal.

In this wage and hour [employment lawsuit](#), the plaintiffs alleged they were owed more than a million dollars collectively in lost wages and penalties for work performed that didn't have to do with a specific repair.

DTLA argued in appeals court that "'it can't be right' to find that employers who guarantee their employees the minimum wage for every hour worked somehow failed to satisfy their minimum wage obligation."

But the appellate court disagreed, and affirmed the judgment and awarding the plaintiffs in

excess of \$1.5 million.

It is unknown if DTLA will appeal to the California Supreme Court.

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