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Kansas Employees Receive Nearly \$1 Million in Unpaid Wages

Topeka — Former employees of A.O. Smith Corporation's Parsons manufacturing plant recently received a total of more than \$950,000 in back wages, penalty and interest in a decision by the Kansas Court of Appeals, according to the Kansas Department of Labor.

The 166 former employees had argued that Milwaukee-based A.O. Smith, which has manufacturing and sales facilities across the United States, Europe and Asia, refused to pay them a year's earned vacation wages upon the plant's 2001 sale.

The issue was brought to the attention of the Department of Labor (KDOL), which ruled in favor of the employees. "We determined that the company should pay the vacation wages, as well as a statutory penalty for willfully refusing to pay the wages and interest, for a total of more than \$800,000," said Labor Secretary Jim Garner. "On appeal to the district court, while the ruling on wages was upheld, the penalty was reversed."

The issue was then appealed to the Kansas Court of Appeals and the Labor Department's order was reinstated. A.O. Smith's request to appeal the decision to the Kansas Supreme Court was denied and payment was made for the employees' vacation pay, penalty and interest.

This recovery represents the largest single wage recovery since the enactment of the Kansas Wage Payment Act, Garner noted.

KDOL provides an administrative process to recover unpaid wages that are owed to Kansas employees. Workers who believe their employer has willfully failed to pay their wages as required by K.S.A. 44-314 can file a claim for wages with KDOL. More information can be found on the agency's website at www.dol.ks.gov.

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