

Editorials

Pace vs. justice

The former employees of Pace Airlines in Winston-Salem got a little reason for hope last week when the N.C. Labor Department filed a claim with the U.S. Bankruptcy Court and the N.C. Justice Department for about \$1.5 million in back wages for 423 employees. But the road to recovery in the wake of the company's downfall last year will be a long one, both for the employees and Smith Reynolds Airport.

There may be some measure of justice when William Rodgers Sr., the former owner of Pace, goes to court — he's scheduled to do so next month — on a charge of not giving notice that he was terminating his employees' health-care insurance. The charter airline and maintenance company collapsed in September, after three-and-a-half months under his ownership. Pace was forced into involuntary bankruptcy in January.

Meanwhile, the local airport, under new director Mark Davidson, continues looking for new companies to replace Pace. Once the airport's largest tenant, the company now owes the Airport Commission of Forsyth County more than \$1 million in lease payments.

And many of the former employees are probably still struggling with debt incurred because the company closed. Some of them saw their last checks weeks before the closure, but kept working last year, believing in false promises from their employer.

In addition to the back wages, the state is also seeking \$107,910 in interest. In pursuing the matter, the state is enforcing the N.C. Wage and Hour Act. "We're always hopeful that employees will get their money," Dolores Quesenberry, a labor department spokeswoman, told the *Journal's* Richard Craver. The employees' claims are ranked the highest in priority — after the lawyers are paid. But officials caution there's no guarantee that employees will receive their money. Pace has at least \$1.8 million in assets, but nearly \$3 million in debts, according to bankruptcy filings.

Workers have good reason to be frustrated. Former employee Gregory Hensley has filed a class-action suit against Pace. He's done so under the Worker Adjustment and Retraining Notification Act, which mandates that companies planning large layoffs notify their state and local governments, as well as the affected workers, at least 60 days in advance of the layoffs.

The workers deserve their fair share from Rodgers and what's left of Pace. Their fight is worth waging, even if a win is uncertain.

One thing can be accomplished, with hard work and determination: finding new tenants for the buildings Pace occupied at the airport. The airport is greatly under-utilized, but it's a well-maintained and conveniently located facility. A good ending to this story — besides the payment of back wages — would be those new companies putting many of the former Pace employees back to work.