

Continued From Page B1

Employees and family members told the *Winston-Salem Journal* — as well as posted comments on a non-company Web site — that most employees have not been paid since the company chose to change its banking accounts and go with a biweekly pay period earlier this month.

The sources did not want to be identified for fear of their or a family member's losing a job.

Employees said they were supposed to have gotten a paycheck Aug. 14, but didn't. They were then told they were to be paid Wednesday.

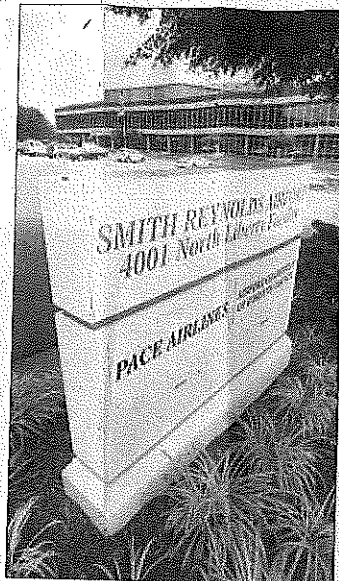
When that day arrived and pay was not distributed, Rodgers held a companywide meeting between shifts Wednesday afternoon. Employees said that Rodgers told them he didn't have the money to meet payroll and then left.

Employees said that state Labor officials visited Pace's headquarters at 4001 N. Liberty St. on Thursday and spoke with management. Dolores Quesenberry, a spokeswoman with the Labor department, would not confirm the meeting.

Employees said that shortly after that meeting, the company agreed to provide a \$500 cash advance on the paycheck they were supposed to have received Aug. 14.

According to employees, the company may have made as many as 130 cash advances in the past two days.

The company posted a memo yesterday stating that employees



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Pace Airlines maintains operations at Smith Reynolds Airport.

would receive their Aug. 14 paycheck on Monday. Employees also were told they would begin getting a regular two-week paycheck on Aug. 28 and thereafter.

Employees expressed frustration with the situation, given that many have specialized jobs that they don't want to leave.

"Given this economy, nobody wants to go hunting for work," one employee said. "If this had happened under previous management, people would have quit."

"But given how poorly the previous Pace management was, people want to believe in this guy. But it's hard to do when you don't have a paycheck, bills are due and they keep asking you to work."

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Pace having payroll problem

Employees call on Labor office, which starts probe

By Richard Craver
JOURNAL REPORTER

The N.C. Labor Department said yesterday that it has opened an investigation of Pace Airlines related to at least four employee complaints about not being paid so far this month.

"We are trying to see if we can substantiate the claims and come to a resolution with the employer," said Neal O'Briant, a spokesman for the department.

Pace, a charter airline and third-party maintenance company, has maintenance and training operations at Smith Reynolds Airport. Pace also has operations in Atlantic City, N.J., and Dallas. The company has more than 400 full- and part-time employees, including about 300 locally.

Pace has a contract to maintain jets for Continental Airlines Inc., and uses the airport as a base for its own charter-airline service with a fleet of seven planes that it owns or operates.

Bill Rodgers, an entrepreneur, aviation expert and sports enthusiast from Kansas City, bought Pace in June. Darrell Richardson, the company's president and chief operating officer, did not respond to phone and in-person requests for an interview.

2004