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Ollie's to Pay \$2.3 Million in Back Wages

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Richard Perry/The New York Times After minimum-wage and overtime violations, 813 employees of nine restaurants will receive more than \$2 million. The owner of eight Asian restaurants in Manhattan, including Ollie's Noodle Shop and Grill, agreed to pay \$2.3 million to 813 workers in what the State Labor Department called the largest amount ever collected in a single case of minimum-wage and overtime violations.

The owner, Tsu Yue Wang, also agreed to allow the Labor Department's staff to conduct seminars at the restaurants to educate the workers, who are mostly Chinese, about their rights under state labor law. The settlement is the culmination an investigation that began in 2006.

The settlement covered three restaurants named Ollie's Noodle Shop and Grill, and five others: Ollie's, Ollie's Brasserie/Mainland, Japanese Restaurant, Chao Zhou Restaurant and Central Kitchen. (A ninth restaurant in the investigation, Ollie's Noodle Shop at 200 West 44th Street, near Broadway, has since closed.)

Ting-Li Wang/The New York Times Customers at Ollie's.

During the investigation, the Labor Department found that one additional restaurant, Tomo, owed 100 workers about \$1 million. Mr. Wang claimed he had no affiliation with Tomo, which has since closed, but corporate documents suggested otherwise, and the Labor Department is continuing to try to recoup those wages.

Mr. Wang also faces a federal lawsuit begun by the Urban Justice Center on behalf of 44 employees at three of the restaurants covered under the state investigation.

M. Patricia Smith, the state labor commissioner, said Mr. Wang's restaurants had violated numerous labor laws. Workers were paid less than minimum wages, denied overtime, paid late, and often received checks without stubs, she said.

The Labor Department discovered that full-time kitchen helpers who worked up to 60 hours per week earned \$1,200 a month, about \$5 an hour. Under state law, an employee working 60 hours per week must be paid at least \$500.50 per week. Similar violations were found for other

categories of employees, including cooks, waitresses and delivery workers.

“You start to see a pattern, and it starts to get sickening,” Ms. Smith said, adding that some individual workers were owed as much as \$30,000.

She added, “Under no circumstances can a company cheat its workers out of the money they have worked for and they have earned.”

Ms. Smith said, “While customers are eating on the cheap, the owner in turn is paying its workers on the cheap.”

So far in 2009, 250 cases involving restaurant violations have been filed with the Labor Department; in 2008, 1,175 such cases were filed.

Of the \$2.3 million Mr. Wang must pay, a third is to be distributed in the next few weeks, and the remainder by July.

Several former employees who spoke about the settlement declined to be identified by their full names, fearing retribution.

A 28-year-old woman from China, who identified herself only by her age and last name, Chen, and who said she worked at the Ollie’s at 84th Street, said of the settlement: “I feel satisfied. They used to pay us so little. I never thought I could back get the money I should have earned years ago. A lot of cases like these take a long time.”

Ms. Chen said she worked 12-hour days, six days a week, and earned \$350 per month — not per week — plus tips.