

## N E W S   R E L E A S E

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### **Labor Commissioner's Office Secures \$1.7 Million in Unpaid Wages for 56 Bay Area Restaurant Workers**

**Oakland**—The California Labor and Workforce Development Agency today announced that the Labor Commissioner's Office has secured \$1.7 million in assets from the owners of Bay Area restaurant chain Mango Garden to pay 56 workers who were victims of wage theft. Seizure of the assets occurred after the owners fraudulently transferred the restaurant's ownership to avoid paying workers the wages owed.

The owners operated the chain of Malaysian-Chinese restaurants in Fremont, San Jose and San Mateo. In late 2015, the Labor Commissioner's Office launched an investigation as part of a joint-enforcement effort with the Alameda County District Attorney's Office. Investigators found the restaurant employees worked 10 or more hours a day while being paid less than the minimum wage and did not receive required meal and rest breaks, overtime pay or split shift premiums. The employers paid the workers in cash and kept 15 percent for themselves, telling the workers the deduction went toward taxes. The Labor Commissioner's Office issued wage and civil penalty citations totaling more than \$1.8 million.

Prior to the investigation, the owners became aware that one or more workers intended to file wage claims. The employers then dissolved two of their three corporate entities, created new entities and listed different management to avoid liability. Upon appeal, a hearing officer ruled the individual owners and operators of the business were individually and jointly liable because they caused or failed to prevent the violations. The Alameda County District Attorney's Office seized and is liquidating their assets to pay the wage theft victims.

Asian Americans Advancing Justice-Asian Law Caucus (AAAJ-ALC) referred this case to the Labor Commissioner's Office and represented workers who cooperated in the investigation and testified at the hearing.

Following the appeal hearing in 2017-2018, the citations were amended to \$2,115,187 including prejudgment interest of \$365,541. Prejudgment interest is calculated at 10 percent per year from the date the unpaid wages should have been paid to the workers. In addition to minimum wage, overtime, meal period premiums and rest period premiums, the workers are entitled to liquidated damages and waiting time penalties.

Payments owed to the 56 workers range from \$2,603 to \$150,523, with an average of \$37,246 awarded to each worker.

Enforcement investigations typically include a payroll audit of the previous three years to determine minimum wage, overtime and other labor law violations, and calculate payments owed and penalties due. Civil penalties collected are transferred to the State's General Fund as required by law.

The Department of Industrial Relations' Division of Labor Standards Enforcement, or the [California Labor Commissioner's Office](#), combats wage theft and conducts on-site inspections to investigate and enforce compliance with minimum wage and other California labor laws. Its wide-ranging responsibilities include public works enforcement, retaliation complaint investigations, licensing and registration, as well as multilingual labor law education and outreach for workers and employers.

In 2014, the Labor Commissioner's Office under Julie A. Su's leadership launched the [Wage Theft is a Crime](#) multilingual public awareness campaign. The campaign defines wage theft and informs workers of their rights and the resources available to them to recover unpaid wages or report other labor law violations.

Employees with work-related questions or complaints may contact DIR's Call Center in English or Spanish at 844-LABOR-DIR (844-522-6734).

Members of the press may contact Erika Monterroza or Jeanne-Mairie Duval at (510) 286-1161, and are encouraged to [subscribe to get email alerts](#) on DIR's press releases or other departmental updates.

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The [California Department of Industrial Relations](#), established in 1927, protects and improves the health, safety, and economic well-being of over 18 million wage earners, and helps their employers comply with state labor laws. DIR is housed within the [Labor & Workforce Development Agency](#). For general inquiries, contact DIR's Call Center at 844-LABOR-DIR (844-522-6734) for help in locating the appropriate [division or program](#) in our department.