



CHECK, PLEASE!

HEALTH AND WORKING CONDITIONS IN SAN FRANCISCO CHINATOWN RESTAURANTS

EXECUTIVE SUMMARY OF THE REPORT BY CHINESE PROGRESSIVE
ASSOCIATION

In partnership with the San Francisco Department of Public Health; University of California, San Francisco Medical School; University of California, Berkeley School of Public Health; and the University of California, Berkeley Labor Occupational Health Program, with writing support from the Data Center

SEPTEMBER 2010

CHECK, PLEASE!

This report is dedicated to all of our brothers and sisters who are struggling for survival and fighting for their rights.

With careful research and large amounts of data, this report seeks to tell the little-known real-life stories of low-wage workers and communities of color.

This is the grassroots level. These are the people that came to this foreign land to seek a life of hope. Armed with the will to persevere, they created wealth and laid the foundation for this city, but still live in the shadows of this society. They are continually exploited, often forgotten because they are immigrants or have difficulty with English, with their cries of frustration often falling on deaf ears, never getting media coverage. So as you finish your meal, should you not consider the people that made it all possible?

—**The Workers Committee of the Chinese Progressive Association**
Hu Li Nong, Gan Lin, Li Li Shuang, Rong Wen Lan, Michelle Xiong, Zhu Bing Shu

The Chinese Progressive Association (CPA) educates, organizes and empowers the low-income and working-class immigrant Chinese community in San Francisco. Our mission is to build collective power with other oppressed communities to demand better living and working conditions and justice for all people.

CPA's Worker Organizing Center builds a voice and power for Chinese immigrant workers through grassroots organizing, leadership development, advocacy, and alliance-building.

ACKNOWLEDGEMENTS

This report would not have been possible without the participation and support of Chinatown restaurant workers themselves, CPA members, scholars, community organizations, our student interns, volunteers and Eva Lowe Fellows. Special thanks to:

Writing support: Saba Waheed and the Data Center

Funders: National Institute of Occupational Safety and Health (1R21OH009081-01), AAPIP, The California Endowment, The Occupational Health Internship Program (OHIP), The California Wellness Foundation, The Transport Workers Union Local 250-A, UniteHere! Local 2

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Our Worker Leadership Committee helped design this "research-for-action" project from start to finish and trained other restaurant workers to conduct survey interviews.

Since 2004, CPA has helped restaurant and food industry workers recover over \$725,000 in unpaid wages and minimum wage violations, in collaboration with San Francisco's Office of Labor Standards Enforcement (OLSE). In that same time, OLSE has collected over \$3.7 million in minimum wage violations for over 600 workers across the city. However, organizers and leaders at CPA felt that the systemic nature of low-road jobs had to be confronted on a greater scale, leading to this research project.

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SFDPH Interns: Natalie Gee, Qi Ting Zhao

SFDPH inspectors (feedback on the checklist development and analysis): Amelia Castilli, Jacki Greenwood, Pamela Hollis, Terrence Hong, Richard Lee, Mohammed Malhi, Eric Mar, Timothy Ng, Lisa O'Malley, Imelda Reyes, Alicia Saam, Calvin Tom, Kenny Wong, and Karen Yu

Final special thanks to Kaan Chin, the SF Fire Inspector who recognized there were safety violations in the restaurants.

Design by Design Action Collective. Printing by Inkworks Press. Worker-owned cooperatives. Union Labor. Printed on 100% recycled paper.

ABOUT THE STUDY

The Chinese Progressive Association (CPA) in partnership with the San Francisco Department of Public Health (SFDPH), University of California, San Francisco Medical School, University of California, Berkeley School of Public Health and the Labor Occupational Health Program (LOHP) launched this study to document the work conditions of San Francisco Chinatown restaurant workers. The study utilized a community-based participatory research (CBPR) approach¹ with the extensive involvement of restaurant workers themselves. To date, few studies have been conducted on restaurant working conditions and none have focused on San Francisco's Chinatown.

Two primary methods were employed to collect information on the health and working conditions of Chinatown restaurant workers: a worker-administered community survey and a SFDPH-administered observational checklist. In addition, the survey focus groups and interviews were conducted with workers which generated the stories and quotes found in this report. Workers also assisted in analyzing the data and guiding the overall frame of the report. The final report was written by CPA staff with support from the DataCenter.



EXECUTIVE SUMMARY

Being a dog would be better than being a worker in the United States.

—a fifty-year old low-wage worker whose employer owes him thousands of dollars in unpaid wages

San Francisco's Chinatown is a vibrant neighborhood and cultural center in one of the country's most affluent cities. Yet, within the walls of many Chinatown restaurants, immigrant workers struggle for survival by laboring in sweatshop conditions. This report, based on surveys of 433 restaurant workers interviewed by their peers and observational data on 106 restaurants, found a prevalence of low-road industry practices such as wage violations, lack of benefits, poor working conditions, and stressful and hazardous workplaces. These conditions leave workers insecure in their jobs and vulnerable to injury and illness, while negatively affecting consumers, businesses, and the community.

The problems in Chinatown reflect a national epidemic of wage theft and lowered labor standards. More and more employers are choosing the low road over the high road. These low-road practices may result in inexpensive meals for patrons, but workers, consumers, law-abiding employers and the public pay a high price. Low-road employers compromise the health of their customers when they violate health code and safety regulations to make an extra dollar. They undercut employers who are playing by the rules, depress the local wages and tax base, and force workers to rely on public services to meet their basic needs. These national trends of wage theft, unlivable wages and poor working conditions are part a global "race to the bottom" to lower wages and working conditions in the pursuit of profits.

LOW ROAD PRACTICES WIDESPREAD IN CHINATOWN

*We don't even have minimum wage, maybe 4 dollars an hour.
Think about it, \$1200 for an entire month, working 10 hours a day, six days a week.*

The survey found that workers experience numerous labor violations and poor working conditions that are symptomatic of low-road practices.

- **Workers experience widespread wage theft, pay-related violations such as sub-minimum wages or lack of overtime pay.** In this study, wage theft in Chinatown restaurants was rampant and occurring at even higher rates than national trends: 1 in 2 workers report minimum wage violations. Other forms of wage theft cited include withheld, unpaid, or delayed payments, as well as employers taking a portion of workers' tips. **Minimum wage violations alone are costing Chinatown restaurant workers an estimated \$8 million every year in lost wages.**²
- **Workers report long work days and weeks and lack of breaks.** 42% report working over 40 hours a week with half of those workers working 60 hours or more. 40% of workers do not get any rest or meal breaks at all. 37% shorten their breaks in order to complete their work.
- **Workers experience injuries, work in hazardous workplaces and do not receive training.** Almost half (48%) of the workers have been burned. Four out of ten have sustained cuts at work in the past year; 17% have slipped or fallen. Workers experience many occupational hazards such as intense heat, slippery floors, and missing safety protections—such as floor mats, proper knife storage for knives or complete first-aid kits. In addition, 64% of workers do not receive training to properly and safely do their jobs.
- **The workplace environment produces high levels of stress for workers.** Workers face constant time pressure, pressure to work extra hours, and demands to do tasks not in their job duties. Many (72%) report that their jobs had become more demanding over time with greater levels of responsibility. Many workers (42%) report being yelled at by their supervisors, coworkers or customers, reflecting a stressful and unsupportive work environment.
- **Workers do not have the necessary healthcare and time off to address their medical conditions and injuries.** Over half the workers surveyed (54%) are paying for their medical care out-of-pocket and only 3 % of workers are provided healthcare by their employer. Although San Francisco has mandatory Paid Sick Leave, the survey found that 42 % of workers have pay deducted if they take time off sick. In addition to lack of sick time, most workers (81%) do not receive paid vacation time.

Wages and Working Conditions

Minimum Wage Violations	50%
Not Paid Overtime	76%
Work 40 hours or more a week	42%
Did not receive any on-the-job training at all	64%
Yelled at by their supervisor, coworker, or customer	42%
Have employer-provided health benefits	3%
Pay deducted when sick	42%
No paid vacation time	81%

These problems [low wages and poor working conditions] aren't just happening to the Chinese community, it's the same with other minorities.

People ask why minorities don't participate in [civic] society as much; they should look at how hard our jobs are to understand!



POOR WORKING CONDITIONS IMPACT WORKERS, FAMILIES & COMMUNITIES

Working conditions impact workers and their families, creating hardship, poor health and barriers to participating in the greater Chinatown community.

- Workers' wages are low and inadequate to support their families.** With 27% earning \$6.25 per hour or less, 13% earning at or below \$5 per hour, and an average wage of \$8.17 an hour, workers wages are inadequate to make a decent living in San Francisco. The survey found that 95% of workers do not earn a living wage and none of the workers earn what would be needed to support a family of four. The survey found that more than one in three workers report living often with their families, in single-room occupancy hotels (SROs) with an average of 80 square feet living space.
- Workers' health severely affected by working conditions.** The health of Chinatown restaurant workers is considerably worse than that of the US population in general. 18% of all Chinatown restaurant workers report "fair or poor health" compared to almost 10% of the general population and 7% of the Asian population in the United States. Almost one-third (32%) describe their health as worse than the previous year.

- Low wages and long hours restrict workers' ability to spend time with their families, pursue training and education programs, and participate in the civic life of the community.** The survey found that over two-thirds (68%) of workers feel their current job situation is not secure. Workers also lacked time to study English or gain other job skills in order to find a better and more secure job. More than half (53%) do not participate in their child's school, over three-quarters (76%) of workers have never voted, and only 5% have ever attended a community meeting.

Impact on Worker and Family Health	
Average Number of People in Household	4
Provide care for children, elderly or disabled person	74%
Earn below a living wage for a single person	95%
Live in Single Room Occupancy (SRO) hotel	35%
Have clinically significant level of psychological distress	25%
Experienced bodily pain which interfered with their work	66%
Feel Job Situation is Not Secure	68%
Have Never Voted	76%
Have Attended Community Meeting	5%

WORKER STORY

LI JUN IS A RECENT IMMIGRANT who worked in a restaurant as a dim sum seller. She was paid \$900 a month while working 7 to 8 hours a day, six days a week (averaging \$5 per hour with no overtime). For 5 months, she was not paid at all.

I came to the U.S. one year ago for my daughter's future. She is 17 years old and it's hard for her to adjust. My husband works in construction and he has been unemployed for a long time. We live in a SRO room in Chinatown. It's about 12 by 12 square feet. Ten families share two toilets and one shower. There's no kitchen in my building, so I just cook in my room with an electric stove. Rent costs \$470 a month.

I start work at 7 or 8 am and I get off at 3pm. I am off one day per week. When I get home I cook for my family. After dinner I attend my evening ESL class.

After not getting paid for months, my coworkers and I finally decided to stand up to the boss and fight for our pay. It was hard because I was still working there, but that is how we got the boss



to pay us back the wages he owed us {\$900 a month for five months}.

Initially, I didn't want to pursue my back wages because I had compassion for my boss. He, however, did not have any compassion for me. When the dim sum doesn't sell, the boss and his wife would yell at me. Once it got busy and the boss told me to bus tables, serve and take orders. But I was never trained to do that and didn't know how to do it. The boss yelled and cursed at me until I cried. For that whole busy day, all the boss gave us for credit card tips was \$2.95. I could not take it anymore so I quit.

Now my husband and I are both out of work. I applied for unemployment insurance benefits, but I am not sure if I am eligible since my boss never paid taxes for me. I have been looking for a job for a month.

I want the government to enforce minimum wage laws. I want them to allow people like us to have just a little bigger space to live.

CREATING A PATH TO THE HIGH ROAD

Some Chinatown restaurant employers are seeking the high road by providing decent wages, increasing benefits, ensuring opportunities for job advancement and creating a healthy workplace. High-road employment practices benefit the community by raising standards for food, service and sanitation and improving Chinatown's image as a good place to visit and live. But when low-road employers dominate the industry and unfairly compete with responsible employers, they create disincentives for employers to comply with labor laws, let alone improve labor standards. Ultimately, the high road is the only road that can lead to a healthy Chinatown where workers have stable living-wage jobs, local businesses compete fairly and grow, customer and public health are protected, and the community can thrive.

In response to these findings we make the following recommendations:

Convene community stakeholder roundtables on healthy jobs, healthy communities

Ending sweatshop conditions and changing the climate of low-road employment practices will take time, investments, creativity and serious commitment on the part of the city and community. Community dialogue is needed because developing solutions is the responsibility of the entire community—workers, employers, community, consumers, and the government.

Strengthen government enforcement of labor and health and safety laws

Local government and agencies must enact stronger policies and enforcement systems and strengthen efforts to work with community organizations and advocates. To do this they can:

- Shift to a proactive “investigation-driven” enforcement strategy rather than relying on worker complaints to combat labor law violations.

- Partner and collaborate more closely with community-based organizations and advocates to monitor and target violators.
- Increase funding for enforcement agencies to hire more investigators and other staff and ensure adequate bilingual staffing.
- Strengthen penalties for violations and create new enforcement measures.
- Increase workers' voice and protect their right to take action by increasing education, streamlining the complaint process, and increasing protections from retaliation.
- Significantly strengthen and fund collections program for workers to obtain unpaid wages and penalties.

Significantly increase investments in healthy economic development and responsible employment practices in Chinatown

The City and other public agencies should invest significantly in diversified economic development in Chinatown with strong labor standards and programs to support and promote responsible employers. The City should:

- Invest in diversified economic development for Chinatown that builds from and protects community assets.
- Require that City funded economic development programs ensure living wages and strong labor standards.
- Invest in more small business stabilization and technical assistance programs to support employers to take the high road.
- Fund and support marketing programs to promote high-road employers.

Address high rates of unemployment and employment needs of immigrant workers and other workers facing barriers to employment

High unemployment rates undermine the economic security of working families and their communities and increase the vulnerability of workers to exploitation by their employers.

NOT JUST IN CHINATOWN

Workers across industries and neighborhoods in San Francisco are facing record levels of wage theft, unemployment and mistreatment. A glance at recent news articles show examples that include:

- **Latina domestic workers** experience workplace abuse and are denied overtime pay due to exclusion from labor laws.
- **Latino day laborers** are cheated out of the wages they have earned and face police harassment.
- **Young restaurant workers** don't get overtime, paid sick leave or meal and rest breaks and face sexual harassment .
- **Filipino caregivers** are denied the 8-hour workday and expected to be on-call 24 hours a day.
- A high unemployment rate among **African-American workers** in the Bayview is also compounded by discrimination that makes it hard to find work.
- A **gay worker** who is organizing a union at his workplace is fired for “being too gay.”

The city's economic development strategy should prioritize creating high-road jobs and training programs that are accessible to immigrant and other workers with significant barriers to employment.



Create a new vision to the high road in San Francisco

In addition to increased enforcement and systems, we also recommend shifting towards a sustainable and community approach to business. To create a stronger community infrastructure to support workers and their families the City should:

- Create a Community Jobs program that addresses community needs around education, childcare, eldercare, transportation, healthy food, recreation, environmental justice, cultural programming and employment needs.
- Establish fair pricing and economic incentives for local consumption through promotion of living wage prices and a local Chinatown currency/bartering system to generate economic activity.
- Create Healthy and Green Food Community Kitchens by expanding existing community meals programs to provide affordable and healthy food to low-income seniors, families and youth while creating employment in Chinatown and neighboring communities.
- Develop and fund worker-owned cooperative businesses as a model that can generate employment with high labor standards, create access to business ownership, and build local community assets.
- Create protections for workers, including a “just cause termination” law requiring employers to provide reasonable justification to fire an employee.

Pass a Bill of Rights for all low-wage workers in San Francisco

The San Francisco Progressive Workers Alliance (SF PWA)³ was formed because the crisis facing Chinatown restaurant workers is shared by low-wage workers in San Francisco across industries, communities and languages. The Low-Wage Worker Bill of Rights lays out the SF PWA's platform and the key issues to be addressed through organizing, advocacy and legislative campaigns. It calls for the city of San Francisco to:

- Address the employment and training needs of those facing the greatest barriers to employment.
- Actively protect the city's workers and responsible employers from wage theft.
- Support and reward responsible businesses.
- Protect the social safety net for poor and marginalized communities.
- Ensure equal treatment for all workers.

We believe sweatshop conditions can end and new standards can be set for healthy jobs in Chinatown. Across Chinatown, San Francisco and the country, conversations are underway about a new, forward-thinking vision for healthy economic development. We invite all stakeholders to join us in developing our vision and strategy for healthy jobs and healthy community in Chinatown.

ENDNOTES

1. For more information on the CBPR approach and principles for research, see Minkler, Meredith, & Nina Wallerstein. “Introduction to CBPR: New issues and emphases.” In M. Minkler & N. Wallerstein (Eds.), *Community-Based Participatory Research for Health* (pp. 5-24). San Francisco: Jossey-Bass, 2008; and Israel, B. A., Schulz, A. J., Parker, E. A., & Becker, A. B. “Review of Community-Based Research: Assessing Partnership Approaches to Improve Public Health.” *Annual Review of Public Health*, 19, 173-202. 1998.
2. Calculated from Chinese Progressive Association 2007 worker survey findings.
3. SF PWA represents thousands of Asians, Latinos, Blacks, and whites who are restaurant workers, construction workers, caregivers, domestic workers, unemployed workers, and more.. The member organizations are: The La Raza Centro Legal - Day Laborer Program and Women's Collective, the Chinese Progressive Association, Young Workers United, Filipino Community Center, SF Pride at Work (PAW), People Organized to Win Employment Rights (POWER), Mujeres Unidas y Activas (MUA), People Organized to Demand Environmental and Economic Rights (PODER), Coleman Advocates for Children and Youth, Jobs with Justice.

LOW ROAD EMPLOYMENT PRACTICES

HIGH ROAD EMPLOYMENT PRACTICES

Working Conditions

Pay workers low wages and regularly violate minimum wage, overtime, break period, and other labor laws; often violate other laws such as health and safety.



Set higher labor standards for healthy jobs by complying with and striving to go beyond legal requirements such as minimum wage, overtime, health care, etc.

Quality of Food, Service and Sanitation

Set a low standard for food quality, service and sanitation by relying on low prices as primary marketing strategy.



Set high standards for food quality, service and sanitation as primary marketing strategy.

Impact on Chinatown Economy

Hurt Chinatown's economy by depressing local wages, limiting local consumer base, not paying taxes owed, and overburdening the social services system.



Expand Chinatown's economy by contributing to local tax base, drawing in more visitors and increasing local consumption by paying good wages.

Impact on Chinatown's Reputation

Tarnish Chinatown's reputation as a place to work, visit and live.



Promote reputation of Chinatown as a good place to work, live and visit; increase visibility of Chinatown businesses.

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