



Labor Department Shuts Down New Haven Deli for Workplace Violations

WETHERSFIELD, March 25, 2014 – Continuing efforts to monitor downtown New Haven eateries for compliance with wage laws has resulted in a Stop Work order being issued by the Connecticut Department of Labor’s Wage and Workplace Standards Division.

According to State Labor Commissioner Sharon M. Palmer, the agency issued a Stop Work order after determining that J&B Deli Grocery, operated by John and Cheong Rhee of Hamden, was employing two workers failed to pay at least minimum wage or overtime, and the employees indicated they are working approximately 60 hours a week. The eatery is located at 1147 Chapel Street in New Haven.

Investigators also determined that the deli owners were paying the workers in cash, were not keeping required payroll records, failed to make legal deductions, and could not show proof of carrying workers’ compensation coverage, which is required in Connecticut.

“This is a case where an employer is taking unfair advantage of their employees and also cheating the state by not paying the proper taxes or providing worker protections, such as unemployment insurance and workers’ compensation,” noted Palmer. “Not only are these employees being treated incorrectly as independent contractors, they are working long hours at less than the minimum wage, and without required overtime pay.

When this takes place, it is a loss for our entire state,” Palmer noted. “While we want to keep Connecticut’s economy strong and help employers stay in business, our first obligation is to ensure that people are paid fairly for the work they do, and have the proper protections should they get injured while on the job. Only by creating a level playing field can we help those employers that are doing the right thing to remain competitive.”

Once a Stop Work order is issued, an employer must show proof of having required workers’ compensation and unemployment insurance coverage, as well as accurate payroll records and documentation that workers are being paid the required wages. Additionally, under state law, a \$300 fine can be assessed for each week that an employee is working while not on the payroll.

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