

# ***JUSTICE WILL BE SERVED! Service Workers Fight Back***

Chinese Staff & Workers Association \* 318 Restaurant Workers Union \*  
National Mobilization Against Sweatshops

PRESS RELEASE  
December 18, 2002

Press Contact: Kevin Hsi  
(646) 342-9885

## **Eastbank Violates The Public's Trust**

### **Documents Reveal Chinatown Landlord, Bank & Restaurant Owners Form Axis of Exploitation to Cheat Workers of Wages and Tips**

#### **RALLY**

WHEN: Wednesday, December 18th - 12:30PM

WHERE: In front of Eastbank

235 Canal Street, Northeast Corner of Centre & Canal

As recently revealed in the restaurant lease for the New Silver Palace Restaurant (NSP), Chinatown landlord Joseph Chu, the President of Eastbank and NSP restaurant operator Richard Chan arranged a scheme to divert hundreds of thousands dollars from the restaurant to repay a loan secured personally by Chan. In the meantime, restaurant workers had their tips stolen and wages withheld continually over the last 5 years.

The 1997 lease between Joseph Chu who conveniently is both the President of Eastbank and the restaurant landlord stipulated that the New Silver Palace (and essentially its workers) must assume a \$1.25 million loan with interest payments of \$10,000 a month that was taken out by the old Silver Palace Restaurant. First, the old Silver Palace and its debts had been dissolved through bankruptcy meaning that the new restaurant should not be held liable for the old Eastbank loan. Second, payments for the Eastbank loan were to be paid to Joseph Chu as landlord. Joseph Chu used his position as both Eastbank President and restaurant landlord to weave an elaborate web of greed that resulted in workers being denied their wages and tips and losing their jobs.

In addition to this "under-the-table" arrangement, restaurant owners have outright extorted tips from workers, withheld wages and used physical violence against workers. Today, New Silver Palace Workers and supporters will demonstrate against the New Silver Palace Axis of Exploitation and call for a government investigation of Eastbank and Joseph Chu.

###