Behind the Kitchen Door:
Inequality & Opportunity in Washington, DC’s Thriving Restaurant Industry

By: The Restaurant Opportunities Center of Washington, DC, Restaurant Opportunities Centers United, and the Washington, D.C. Restaurant Industry Coalition

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Executive Summary

Behind the Kitchen Door: Inequality & Opportunity in Washington, DC’s Thriving Restaurant Industry was conceived of and designed by the DC Restaurant Industry Coalition – a broad gathering of academics, policy analysts, worker advocates, worker organizers, unions, restaurant workers and restaurant industry employers. This report represents one of the most comprehensive research analyses ever conducted on the restaurant industry in Washington, DC.

The report uses data from 510 worker surveys, in-depth interviews and focus groups with 30 restaurant workers, and 30 interviews with restaurant industry employers in the District. The data was collected over a one-year period. The results of this primary research are supplemented with analyses of industry and government data, such as the 2009 American Community Survey, and reviews of existing academic literature.

Our study was inspired by the need for examination and analysis of the overall health of the restaurant industry, which is fundamental to Washington, DC’s economy and critical to the lives of thousands of restaurant workers and employers. The restaurant industry is an important and growing source of locally-based jobs, and provides considerable opportunity for the development of successful businesses. It is therefore essential to make information about the industry from the perspectives of both workers and employers available to all stakeholders to ensure sustainable growth in the industry.

A Resilient and Growing Industry

Washington, DC is home to a vibrant, resilient, and growing restaurant industry. The industry includes more than 2,019 food service and drinking places that contribute to the region’s tourism, hospitality and entertainment sectors and to the economy as a whole. Washington, DC restaurants employ more than 36,000 workers, or 7.81% of the District’s total employment. In 2007, the Washington, DC restaurant industry accounted for an estimated $144 million of the District’s sales tax revenue (see Chapter II).

Perhaps the industry’s most important contribution to the region’s economy is the thousands of job opportunities and career options it provides. The District’s restaurant industry continued its growth even through the current economic recession and has outpaced that of the city’s overall economy. Since formal credentials are not a requirement for the majority of restaurant jobs, the industry provides employment opportunities for new immigrants, workers who have no formal qualifications, and young people just starting out in the workforce.

Many Bad Jobs, A Few Good Ones

There are two roads to profitability in the restaurant industry – the “high road” and the “low road.” Restaurant employers who take the high road are the source of the best jobs in the industry – those that provide livable wages, access to health benefits, and opportunities for advancement in the industry. Taking the low road to profitability, however, creates low-wage jobs with long hours, few benefits, and exposure to dangerous and often unlawful workplace conditions. Many restaurant employers in Washington appear to be taking the low road, creating a predominantly low-wage industry in which violations of employment and health and safety laws are commonplace.

While there are a few “good” jobs in the restaurant industry, the majority are “bad” jobs, characterized by very low wages, few benefits, and limited opportunities for upward mobility or increased income. In our survey of restaurant workers, the vast majority (89.4%) reported that their employers do not offer them health insurance (see Chapter III). Earnings in the restaurant industry also lag behind those of the entire private sector. In terms of annual earnings, restaurant workers on average made only $22,818 in 2009 compared to $70,987 for the total private sector, according to the Quarterly Census of Employment and Wages, Bureau of Labor Statistics. Workers in our study also reported overtime and minimum wage violations, a lack of health and safety training, and the failure to implement other health and safety measures in their workplaces. Of all the workers surveyed in our study, 33.5% reported experiencing overtime violations and 35.4% reported working “off the clock” without being paid.
Occupational Segregation and Discrimination

Historical discrimination and residential segregation are compounded by current structural inequity and discrimination in the industry. Workers of color are largely concentrated in the industry’s “bad jobs,” while White workers tend to hold the few “good jobs.” Workers of color are overrepresented in lower-paying positions and in lower-paying segments of the industry. Workers also reported discriminatory hiring, promotion, and disciplinary practices. Of workers that reported verbal abuse, 36.9% reported that it was on the basis of race.

Our research found that restaurant workers do not live in the wards with more restaurant jobs and greater potential earnings because of prohibitive housing costs. We also found that in the poorest areas of the city, Ward 7 and 8, low-wage quick-serve restaurant jobs predominate. However, Ward 7 and 8 residents that commute to restaurants in other areas did not earn higher wages than those who stay in Ward 7 and 8 to work. This raises the questions of discrimination against Ward 7 and 8 residents or lack of access to training and education for these workers to gain employment in restaurant segments with higher earning potential.

The Social Costs of Low-Wage Jobs

Our research also reveals the hidden costs to customers and taxpayers of low-wage jobs and low-road workplace practices. Restaurant employers who violate labor laws are also more likely to violate health and safety standards in the workplace – such as failing to provide health and safety training, or forcing workers to engage in practices that harm the health and safety of customers (see Chapter VI).

The pervasiveness of accidents coupled with the fact that so few restaurant workers have health insurance can lead to escalating uncompensated care costs. For example, 17.9% of surveyed workers reported that they or a family member had visited the emergency room without being able to pay for their treatment.

Finally, low wages and the lack of job security among restaurant workers lead to increased reliance on social assistance programs, resulting in an indirect subsidy to employers engaging in low-road practices and fewer such public resources available to all those in need. Passing these hidden costs to the public allows low-road employers to compete unfairly with high-road employers by undercutting prices.

The High Road Is Possible

Our interviews with employers revealed that it is possible to run a successful restaurant business while paying livable wages, providing workplace benefits, ensuring adequate levels of staffing, providing necessary training, and creating career advancement opportunities.

In fact, close to 13.7% of the workers we surveyed reported earning a livable wage, and similar numbers reported receiving benefits, thereby demonstrating both the existence of “good jobs” and the potential of the industry to serve as a positive force for job creation. Workers who earn higher wages are also more likely to receive benefits, ongoing training and promotion, and are less likely to be exposed to poor and illegal workplace practices. For example, workers earning wages above the poverty line were more likely to have paid sick days and paid vacation days than workers earning wages below the poverty line. Workers earning wages above the poverty line were also more likely to have received training to be promoted and to have been promoted in their current workplace.
Our Recommendations
The Restaurant Industry Coalition recommends the following steps to address the workplace problems documented in our study:

1. **Level the playing field by providing paid sick days and increasing the tipped minimum wage.**
Policymakers should level the playing field by requiring employers to provide paid sick days to all of their employees, including tipped workers and others currently excluded from the District’s paid sick days law. The lack of paid sick days can result in economic and public health challenges for the entire region. Policymakers should also raise the minimum wage for tipped workers to be closer to the minimum wage for all other workers.

2. **Incentivize high-road practices.** The District should consider initiatives and incentives to assist and encourage employers to provide livable wages, basic workplace benefits, and opportunities for advancement to restaurant workers. Such initiatives could include streamlining licensing procedures for employers who implement exceptional workplace practices, thereby enabling them to reduce fixed costs and invest more in workers.

3. **Promote opportunity, penalize discrimination.** Policymakers must explore initiatives that encourage internal promotion and discourage discrimination on the basis of race and immigration status in the restaurant industry.

4. **Enforce employment laws in the restaurant industry.** Labor, employment and health and safety standards should be strictly enforced. Legislators should consider an employer’s compliance with such legal standards in granting government licenses, which by statute are intended to be granted only to responsible employers. Employers must also be educated about their legal responsibilities to their employees. It is in the interest of both workers and the public at large that existing standards be observed and enforced.

5. **Promote model employer practices.** Model employer practices should be publicized to provide much-needed guidance to other employers in the industry. The vast majority of employers we interviewed agreed in theory that high-road workplace practices were better. However, many claimed to be unable to implement them in practice.

6. **Respect workers’ right to organize.** Barriers to organizing restaurant workers should be addressed and the public benefits of unionization in this and other industries should be publicized in light of the significant benefits to workers and employers alike that can arise when restaurant workers unionize.

7. **Support further industry research.** Further study and dialogue should be undertaken that includes restaurant workers, employers, and decision-makers in order to ensure effective and sustainable solutions to the issues identified in our study – especially race-based discrimination, and the impacts of the industry’s practices on health care and public program costs.

The information collected here from workers, employers, and industry experts is critical to ensuring that the Washington, DC restaurant industry truly shines not only as an important contributor to the region’s job market and economy, but also as a beacon of the well-being of its workers and communities.
CHAPTER I
Introduction and Methodology

The Washington, DC restaurant industry has enormous potential, both as an employer and as an engine of economic growth. Over the past twenty years, the food and beverage service sector has expanded, and despite the recent economic downturn, it continues to outpace other industries (see Chapter II). Unlike many jobs in the manufacturing and technology sectors, restaurant jobs cannot be outsourced. For this reason, they are anticipated to occupy an increasing share of the nation’s economy in the near future.

The city’s restaurants are an important source of jobs – particularly for people of color, new immigrants and young people just starting in the workforce (see Table 4, Chapter II). Thousands of Washington, DC restaurant workers earn livable wages and receive health care benefits. The industry also offers opportunities for entrepreneurial workers to fulfill their dream of opening their own restaurants. Most jobs in the industry, however, are characterized by low wages - often below the poverty level – with no health insurance, no sick and vacation days, few advancement opportunities, and exposure to poor and illegal workplace conditions.

Our primary research, review of existing literature, and analysis of government and industry data reveal that there are two roads to profitability in the Washington, DC restaurant industry – the “high road” and the “low road.” Restaurant employers who take the high road are the source of the best jobs in the industry – those that enable restaurant workers to support themselves and their families, remain healthy, and advance in the industry. Taking the low road to profitability, on the other hand, creates low-wage jobs with long hours and few benefits. It ultimately harms workers, other restaurant employers, consumers, public health, and taxpayers.

Our research and existing government and industry statistics indicate that the majority of employers in the Washington, DC restaurant industry, like employers in other parts of the country, are engaging in low-road workplace practices, contributing to the perpetuation of a predominately low-wage industry in which few workers have basic workplace benefits and safe and healthy working conditions. These practices often lead to violations of workers’ basic rights, as well as federal and state wage and hour laws and health and safety regulations. While the industry has the potential to create jobs that allow workers to support their families, it often instead ends up contributing to the proliferation of “bad” jobs in the current economy – jobs that cannot sustain workers, their families, and our communities. Our worker surveys and interviews illustrate the impact that such bad jobs have on people’s lives.
Our interviews with employers highlight many of the factors that drive them to take the low road to profitability, often against the principles of good business practice they espouse, as well as strategies some restaurant employers use to overcome these factors. It is possible to achieve success in the restaurant business by pursuing the “high road,” but the pervasive use of low-road workplace practices undermines employers’ ability to do so, creating an unlevel playing field. Our research also demonstrates the importance to public health – and public coffers – of encouraging and supporting the majority of restaurant employers to improve practices.

In our research, we also found a large gap in wages and working conditions between White workers and workers of color in the Washington, DC restaurant industry. Our research suggests that at least two key factors contribute to these disparities: (1) racial segregation by occupation or position; and (2) racial segregation by industry segment.

The majority of White workers in the Washington, DC restaurant industry are employed in front-of-the-house positions. Restaurant workers in the “front of the house” generally receive higher wages, better working conditions, training, and advancement opportunities than those behind kitchen doors. Workers of color are largely concentrated in the back of the house – in the lowest paid jobs requiring the longest hours, featuring the greatest health and safety hazards, and offering the fewest advancement opportunities. In addition to these disparities, restaurant workers we spoke with reported high levels of verbal abuse, excessive discipline, and barriers to promotion they believed to be based on race and immigration status. White restaurant workers were significantly more likely to be employed in fine dining establishments, whose price points offer the highest concentration of livable-wage jobs in the industry. By contrast, workers of color were much more likely to be employed in the lower-paying quick-service segment of the industry.

**TERMS USED IN THIS REPORT**

“Front of the House” and “Back of the House” refer to restaurant industry terms for the placement and function of workers in a restaurant setting. Front of the house generally represents those interacting with customers in the front of the restaurant including wait staff, bussers and runners. Back-of-the-house workers generally refer to kitchen staff including chefs, cooks, food preparation staff, dishwashers, and cleaners.

High road and low road are industry terms referring to opposing business strategies for achieving productivity and profitability. In this report, the former is used to denote employer practices that involve investing in workers by paying livable wages, providing comprehensive benefits, opportunities for career advancement, and safe workplace conditions as means to maximize productivity. The results are often reduced turnover as well as better quality food and service. The latter refers to strategies that involve chronic understaffing, failing to provide benefits, pushing workers to cut corners, and violating labor, employment and health and safety standards. Low-road practices are not simply illegal practices – they are employment practices, such as providing low wages and little or no access to benefits, that are not sustainable for workers and their families, and that have a long-term negative impact on both consumers and employers.
C H A P T E R II
Overview of Washington, DC’s Restaurant Industry

A. A Significant and Growing Industry

The restaurant industry is increasingly important for the District of Columbia. As a major part of DC’s tourism sector, the restaurant industry has been a major contributor to the local economy. Between 1998 and 2008, the number of restaurant establishments grew thirty-four percent, from 1,561 to 2,091.\(^1\) As of 2009, the industry employs 36,000 workers.\(^2\)

The restaurant industry is a key contributor to the tourism and hospitality sectors. In 2007 (the last available data from the Economic Census) DC’s restaurants garnered over $2.4 billion in revenue,\(^3\) generating an estimated $144 million in District sales taxes.\(^4\)

Although considerable skills are needed to work in this industry, no formal credentials are generally required, making restaurants a viable avenue of employment for workers who have not had the opportunity to pursue formal training. Restaurant employment also serves as an important entry point into the job market for new immigrants to the United States.

B. How Many Jobs?

<table>
<thead>
<tr>
<th>Industry</th>
<th>Employment (in 1000s)</th>
<th>Share of Total Private Sector Employment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Private Sector Employment</td>
<td>461.2</td>
<td>100.00%</td>
</tr>
<tr>
<td>Professional, scientific and technical services</td>
<td>102.2</td>
<td>22.16%</td>
</tr>
<tr>
<td>Educational Services</td>
<td>47.0</td>
<td>10.19%</td>
</tr>
<tr>
<td>Administrative and Support and Waste Management and Remediation Services</td>
<td>44.9</td>
<td>9.74%</td>
</tr>
<tr>
<td>Food Services and Drinking Places</td>
<td>36.0</td>
<td>7.81%</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>26.5</td>
<td>5.75%</td>
</tr>
<tr>
<td>Information</td>
<td>19.0</td>
<td>4.12%</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>17.6</td>
<td>3.82%</td>
</tr>
<tr>
<td>Ambulatory health care services</td>
<td>13.9</td>
<td>3.01%</td>
</tr>
<tr>
<td>Mining, logging and construction</td>
<td>11.7</td>
<td>2.54%</td>
</tr>
</tbody>
</table>


As indicated in Table 1, the “Food Services and Drinking Places” sector (hereafter “the restaurant industry”) represents over 36,000 jobs in the District of Columbia, and is one of the four largest industries in the area behind Professional, Scientific, and Technical Services, Educational Services, and Administration and Support and Waste Management and Remediation Services.\(^5\) Professional, Scientific, and Technical Services in DC is largely comprised of firms that provide high-end services such as legal advice, consulting services and accounting and bookkeeping, among others. Administrative and Support and Waste Management and Remediation services is an industry category that comprises firms that provide support to these high-end service providers, in the form of day-to-day operations.
operations such as cleaning, security and clerical services. Both of these industries would be expected to be massive in the United States’ capital, the seat of the federal government. Yet, restaurants are still one of the top four sectors of the economy.

The restaurant industry has seen more robust growth than the rest of the economy. Even during the recession that began in December 2007, the DC restaurant industry continued to grow. 6 Figure 1 shows that the restaurant industry has steadily increased as a proportion of total jobs over the last decade, expanding its share of total private sector jobs from just over 6.42% in 1999 to 7.81% in 2009. 7 Moreover, Figure 1 shows an acceleration of this process during the economic crisis. The restaurant industry currently employs more people than many traditional industries such as Construction and Manufacturing and industries that experienced more recent growth such as Financial Activities and the Information Industry. 8

FIGURE 1: Food Service and Drinking Place Jobs as a percent of Total Private Sector Jobs from 1990 to 2009, District of Columbia.


FIGURE 2: Job Growth Relative to 1990 Base Year for Total Employment and Restaurant Industry Employment.

The restaurant industry has the potential to provide low-wage workers with access to advancement to jobs that will allow them to support their families. This is evidenced by the fact that the industry is growing and that there are some livable wage jobs. From our survey data, 13.7% of DC restaurant workers earn a livable wage as defined by the Economic Policy Institute’s (EPI) Basic Family Budget Calculator. A livable wage is an hourly wage of $21.89 or higher, which is the wage in Washington, DC that “affords the earner and her or his family the most basic costs of living without need for government support or poverty programs” (See Chapter III: Workers’ Perspectives).

Figure 2 depicts total employment growth as well as employment growth in the restaurant industry in the District of Columbia through 2009 relative to the base year of 1990. Growth in the restaurant industry has only periodically dipped below total growth, which explains why the restaurant industry has an increasing share of total employment. Even during the current economic crisis, locally and nationally, the restaurant industry has not suffered nearly the same job losses that the economy as a whole experienced. Nationally, between December 2007 and June 2010, the economy experienced a 5.5% job loss, while the restaurant industry experienced less than half of that loss, or 2.4%. In DC, in the two-year period after the crisis began, the overall economy shed 1.7% of jobs while restaurant industry employment increased 3.5%.

C. What Kind of Restaurant?

The U.S. Census Bureau includes four distinct industries in the food services sector: full-service restaurants, limited-service eating places, special food services, and drinking places. The restaurant industry is generally understood to include the first two of these categories; namely, full-service restaurants and limited-service eating places. Although the Census does not distinguish between different types of full-service restaurants, we consider both ‘fine dining’ restaurants and ‘family-style’ or ‘franchise’ restaurants falling within the full-service restaurant category. Limited service restaurants are also known as ‘quick serve’ – restaurants that do not offer waiter service, such as ‘fast food’ establishments or delicatessens.

D. Who gets the Jobs?

Most jobs in the restaurant industry do not require formal education and, with the exception of chefs and sommeliers (wine stewards), employers generally do not require workers to have educational degrees or vocational certification. This is not to say that restaurant workers do not have skills or that restaurant work is not demanding. Back-of-the-house workers, often working in hot, cramped spaces, must be able to complete the tasks required to accurately fill orders in a timely and quality fashion in a high pressure environment. Front-of-the-house staff and other employees who interact with customers need strong interpersonal skills, time and task management skills, and a working knowledge of food preparation and presentation.
The Bureau of Labor Statistics reports that the restaurant industry is the single largest employer of immigrants in the nation. In 2008, immigrants represented more than 2 million of the industry’s employees nationwide. In 2009, there were 17.5% more immigrant workers employed in the restaurant industry than in all other industries in the District of Columbia, as shown in Table 2.

E. What are the Characteristics of the Workforce?

Census data (see Table 2) shows that the DC restaurant industry is generally younger, more foreign-born, and more inclusive of Latino and other populations of color than the overall working age population. Furthermore, over the last decade the DC restaurant workforce has become more foreign-born, majority female, and increased its level of education. Some key statistics include:

- The Washington, DC restaurant industry experienced a large increase in foreign-born workers from 11.7% in 2000 to 31.4% in 2009. The industry also has a higher share of foreign-born workers that is 17.5 percentage points higher than DC’s overall working age population.

- Non-Hispanic Blacks remained the largest share of the Washington, DC restaurant industry, comprising almost half of the District’s restaurant workers. Hispanics were overrepresented in the restaurant industry; while they comprised only 8% of the overall working population, they were 29.6% of the District’s restaurant workforce, making them the second largest group. Whites were the third largest racial/ethnic group, with 17.3% of restaurant workers, down 2.8 percentage points since 2000.

- DC restaurant workers also tend to be disproportionately younger, with 31.3% of the restaurant industry being between the ages of 16 and 24, compared to 17.0% of the overall working age population. On the other end of the age spectrum, only 16.9% of the restaurant industry was between the ages of 45 and 64 in 2009, compared to 29.0% of the overall working-age population.

- Over the last nine years, the education levels of restaurant workers increased. Those with less than a high school degree decreased from 41.0% of restaurant workers in 2000 to 33.2% of restaurant workers in 2009, while those with a bachelor's degree or higher increased from 8.3% to 14.5%.

- Finally, the DC restaurant workforce has become majority female, increasing from 49.3% in 2000 to 53.0% in 2009.
### TABLE 2: A Demographic Profile of Washington, DC’s Restaurant Workers, 2000-2009
(column percentages)

<table>
<thead>
<tr>
<th></th>
<th>Restaurant Workers</th>
<th>2009 Only</th>
<th>Difference (2009-2000)</th>
<th>All Metro DC Workers</th>
<th>Difference (Restaurant Workers – All Workers)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gender</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>50.7</td>
<td>47.0</td>
<td>-3.7</td>
<td>46.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Female</td>
<td>49.3</td>
<td>53.0</td>
<td>3.7</td>
<td>54.0</td>
<td>-1.0</td>
</tr>
<tr>
<td><strong>Age</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16-24</td>
<td>38.1</td>
<td>31.3</td>
<td>-6.8</td>
<td>17.0</td>
<td>14.3</td>
</tr>
<tr>
<td>25-44</td>
<td>46.3</td>
<td>49.7</td>
<td>3.4</td>
<td>39.9</td>
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</tr>
<tr>
<td>45-64</td>
<td>13.4</td>
<td>16.9</td>
<td>3.5</td>
<td>29.0</td>
<td>-13.0</td>
</tr>
<tr>
<td><strong>Race/Ethnicity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Hispanic White</td>
<td>20.1</td>
<td>17.3</td>
<td>-2.8</td>
<td>35.8</td>
<td>-18.5</td>
</tr>
<tr>
<td>Non-Hispanic Black</td>
<td>48.2</td>
<td>48.7</td>
<td>0.5%</td>
<td>51.1</td>
<td>-2.4</td>
</tr>
<tr>
<td>Asian</td>
<td>6.4</td>
<td>3.2</td>
<td>-3.2</td>
<td>3.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Hispanic, any race</td>
<td>21.8</td>
<td>29.6</td>
<td>7.8</td>
<td>8.0</td>
<td>21.6</td>
</tr>
<tr>
<td>Other or more than one race/ethnicity</td>
<td>3.4</td>
<td>1.2</td>
<td>-2.2</td>
<td>2.0</td>
<td>-0.8</td>
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<td><strong>Nativity</strong></td>
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<tr>
<td>Citizen by Birth</td>
<td>88.3</td>
<td>68.6</td>
<td>-19.7</td>
<td>86.1</td>
<td>-17.5</td>
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<tr>
<td>Foreign Born</td>
<td>11.7</td>
<td>31.4</td>
<td>19.7</td>
<td>13.9</td>
<td>17.5</td>
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<tr>
<td><strong>Place of Birth</strong></td>
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<td></td>
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<tr>
<td>US</td>
<td>65.9</td>
<td>68.6</td>
<td>2.7</td>
<td>84.7</td>
<td>-16.1</td>
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<tr>
<td>Latin America</td>
<td>20.8</td>
<td>24.0</td>
<td>3.2</td>
<td>7.1</td>
<td>16.9</td>
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<td>Europe</td>
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<td>0.4</td>
<td>2.9</td>
<td>-0.9</td>
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<td>2.7</td>
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<td><strong>Years in US</strong></td>
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<td></td>
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<tr>
<td>Born in the U.S.</td>
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<td>68.6</td>
<td>2.7</td>
<td>84.7</td>
<td>-16.1</td>
</tr>
<tr>
<td>0-5</td>
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<td>7.8</td>
<td>-4.3</td>
<td>3.4</td>
<td>4.4</td>
</tr>
<tr>
<td>6-10</td>
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<td>8.2</td>
<td>1.2</td>
<td>2.2</td>
<td>6.0</td>
</tr>
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<td>11-15</td>
<td>7.4</td>
<td>5.6</td>
<td>-1.8</td>
<td>2.1</td>
<td>3.5</td>
</tr>
<tr>
<td>16-20</td>
<td>4.1</td>
<td>5.1</td>
<td>1.0</td>
<td>1.6</td>
<td>3.5</td>
</tr>
<tr>
<td>21 or more</td>
<td>3.5</td>
<td>4.7</td>
<td>1.2</td>
<td>6.0</td>
<td>-1.3</td>
</tr>
<tr>
<td><strong>Ability to Speak English</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Speaks only English</td>
<td>63.0</td>
<td>80.1</td>
<td>-17.1</td>
<td>87.0</td>
<td>-6.9</td>
</tr>
<tr>
<td>Speaks very well</td>
<td>11.8</td>
<td>7.7</td>
<td>-4.1</td>
<td>8.9</td>
<td>-1.2</td>
</tr>
<tr>
<td>Speaks well</td>
<td>8.9</td>
<td>6.8</td>
<td>2.1</td>
<td>2.8</td>
<td>4.0</td>
</tr>
<tr>
<td>Speaks, but not well</td>
<td>11.5</td>
<td>5.4</td>
<td>6.1</td>
<td>1.0</td>
<td>4.4</td>
</tr>
<tr>
<td>Does not speak English</td>
<td>4.7</td>
<td>0</td>
<td>4.7</td>
<td>0.4</td>
<td>-0.4</td>
</tr>
<tr>
<td><strong>Education</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than High School</td>
<td>41.0</td>
<td>33.2</td>
<td>-7.8</td>
<td>15.3</td>
<td>17.9</td>
</tr>
<tr>
<td>High School Degree</td>
<td>25.2</td>
<td>30.8</td>
<td>5.6</td>
<td>17.3</td>
<td>13.5</td>
</tr>
<tr>
<td>Some College</td>
<td>23.2</td>
<td>21.5</td>
<td>-1.7</td>
<td>24.4</td>
<td>-2.9</td>
</tr>
<tr>
<td>Bachelors Degree and Higher</td>
<td>8.3</td>
<td>14.5</td>
<td>6.2</td>
<td>43.0</td>
<td>-28.5</td>
</tr>
</tbody>
</table>

F. What do the Jobs look like?

Jobs in the restaurant industry generally fall into one of three categories, each corresponding to different levels of compensation, potential for mobility, access to training, workplace conditions, and other important indicators of job quality:

1. Managers and supervisors, including chefs.
2. Front-of-the-house positions, including all staff who have direct contact with customers, such as servers, bartenders, and bussers.
3. Back-of-the-house positions, or those that do not regularly involve direct contact with customers, but are essential to a restaurant’s functions, such as dishwashers and cooks.16

H. What do the Jobs Pay?

The data in Table 3 shows that the restaurant industry offers predominantly low-wage jobs. The median wage for all restaurant occupations in the District of Columbia is only $11.11 an hour ($23,108 annually at 40 hours per week), which is less than 40% of the median wage for all workers in DC.17 Fifty-six percent (56.1%) of workers in the industry are employed in positions for which the hourly median wage is below $10.00. Moreover, people of color hold the majority of the lowest paid jobs in the restaurant industry, which is discussed in detail in Chapter III: Workers’ Perspectives and Chapter V: Segregation & Discrimination.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Employment share</th>
<th>Median hourly wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All restaurant workers</td>
<td>100%</td>
<td>$11.11</td>
</tr>
<tr>
<td>First-line supervisors/managers of food preparation</td>
<td>6.4%</td>
<td>$17.79</td>
</tr>
<tr>
<td>and serving workers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooks, fast food</td>
<td>1.8%</td>
<td>$9.24</td>
</tr>
<tr>
<td>Cooks, institution and cafeteria</td>
<td>3.0%</td>
<td>$13.63</td>
</tr>
<tr>
<td>Cooks, restaurant</td>
<td>9.4%</td>
<td>$13.65</td>
</tr>
<tr>
<td>Cooks, short order</td>
<td>1.6%</td>
<td>$13.19</td>
</tr>
<tr>
<td>Food preparation workers</td>
<td>7.5%</td>
<td>$11.68</td>
</tr>
<tr>
<td>Bartenders</td>
<td>5.7%</td>
<td>$10.75</td>
</tr>
<tr>
<td>Combined food preparation and serving workers,</td>
<td>17.0%</td>
<td>$9.76</td>
</tr>
<tr>
<td>including fast food</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Counter attendants, cafeteria, food concession, and</td>
<td>4.1%</td>
<td>$9.39</td>
</tr>
<tr>
<td>coffee shop</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waiters and waitresses</td>
<td>19.7%</td>
<td>$9.40</td>
</tr>
<tr>
<td>Dining room and cafeteria attendants and bartender</td>
<td>7.3%</td>
<td>$8.94</td>
</tr>
<tr>
<td>helpers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dishwashers</td>
<td>6.2%</td>
<td>$9.41</td>
</tr>
<tr>
<td>Hosts and hostesses, restaurant, lounge, and coffee</td>
<td>3.1%</td>
<td>$11.80</td>
</tr>
<tr>
<td>shop</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food preparation and serving-related workers, all other</td>
<td>0.2%</td>
<td>$15.19</td>
</tr>
<tr>
<td>Under $10.00 per hour</td>
<td>56.1%</td>
<td></td>
</tr>
</tbody>
</table>

While the number of jobs in the DC restaurant industry has grown, wages in the industry have not. As Figure 3 illustrates, average annual earnings in the restaurant industry have lagged behind those of the entire private sector in Washington, DC over the last decade. In 2001, the average annual earnings difference between the restaurant industry and the overall private sector was $44,247 (in 2009 dollars). By 2009, this gap had widened to $48,005. This is despite the fact that the number of jobs in the industry and the education levels of restaurant workers significantly increased over the same period (see Table 2).

One other aspect to consider is the role of the restaurant industry in the recovery from the recent economic crisis. According to National Employment Law Project analysis of Bureau of Labor Statistics (BLS) data, there are indications that the economic crisis has restructured the labor market. While job loss was skewed towards higher wage occupations, job recovery thus far has been skewed toward traditionally low-wage jobs in retail trade and the restaurant industry. This bottom-heavy distribution of job opportunities “challenges workers’ ability to support their families, but also the broader goal of restoring robust consumer demand”, according to NELP. Thus, the restaurant industry provides both an opportunity and a threat to the economy. On the one hand, this industry can provide jobs to millions. On the other hand, if the wages for many of these jobs remain below the poverty level, the economic recovery could be greatly prolonged by undermining consumer demand.
CHAPTER III
Workers’ Perspectives
CHAPTER III

Workers’ Perspectives

The information summarized in this chapter represents a compilation of the results of 510 surveys with restaurant workers in DC conducted between September 2009 and August 2010, and 30 worker interviews conducted between July and September 2010. By speaking directly with DC restaurant workers, we gained more insight on the daily experiences of working in the area’s eateries. We were also able to collect new data regarding the overall quality of their workplace experiences. The following are some of our key findings:

- Where earnings are concerned, our research results are consistent with existing data – the majority of restaurant workers we spoke with reported very low wages.
- Most restaurant workers do not receive workplace benefits such as employer-provided health coverage, paid sick days, or vacation days.
- Most restaurant workers we spoke with do not receive regular raises, promotions, or ongoing job training.
- Eleven percent (11.4%) of restaurant workers surveyed have unlawfully been paid less than the legally-mandated minimum wage of $8.25.
- More than a third of restaurant workers (33.5%) in the District of Columbia are not paid 1.5 times the normal wage for when they work over 40 hours in violation of district and federal laws. In fact, we even received reports from some workers that they were not being paid at all for any hours they worked beyond 40.
- Workers reported health and safety hazards at their workplace, compounded by a pervasive lack of health and safety training. In addition, many of the workers we spoke with reported on-the-job injuries.
- Many workers who asserted their rights reported that their complaints were met with verbal abuse and threats of retaliation.
- Workers earning low wages are less likely to receive benefits such as paid sick and vacation days, more likely to suffer employment law violations, and less likely to benefit from opportunities for advancement.
A. Introduction and Methodology

While the majority of jobs in the restaurant industry are low-wage, low-road jobs, our survey research shows that the low road is not the necessary path in this industry. Thirteen percent (13.7%) of survey respondents reported earned livable wages, and similar numbers reported enjoying comprehensive benefits, opportunities for career advancement, and better workplace conditions. While these workers are in the minority, their experiences reflect the reality that some restaurant employers are pursuing the high road to profitability. The employer perspectives summarized in the next chapter offer important insights for addressing the conditions described in this chapter.

This study was motivated in part by the current dearth of quantitative and qualitative data documenting the experiences of restaurant workers in Washington, DC. In an effort to pick up where official and industry statistics leave off, the DC Restaurant Industry Coalition designed a survey to capture detailed information regarding individual workers’ experiences beyond hourly wage data. The survey instrument explored the availability of benefits, working conditions, hiring and promotion practices, the existence of job-specific training opportunities, employer discrimination, and the nature of working conditions in the industry. Stratified sampling methods were chosen to provide an accurate proportional representation of restaurant workers in DC. Stratification was used as a sampling technique to ensure that our sample was as representative as possible. To add to the rigor of the survey design and administration, we weighted the data according to front and back of the house in full-service and limited-service restaurants to appropriately reflect the actual distribution of positions. All resulting statistics from this survey will refer to the weighted figures unless otherwise stated.

The survey was administered from September 2009 until August 2010 by staff, members, and volunteers from the Restaurant Opportunities Center of DC – a community-based organization with significant contacts among restaurant workers and access to workplaces in the industry. A total of 510 surveys were conducted face-to-face with workers in Washington, DC after workers’ shifts were completed or during breaks. We sought to capture experiences in all types of restaurants, and we surveyed workers in each of the three main segments of the industry. Furthermore, our sampling frame, or set of participants from which the sample was drawn, consisted only of workers employed in the industry.

In order to obtain a holistic picture of the daily lives of individual restaurant workers, qualitative interviews and focus groups were conducted with a total of 30 workers to gain in-depth information about the nature of working conditions. A general interview guide approach was used to conduct the one-on-one in person interviews. The guide, developed by Dr. Manny Ness of Brooklyn College, contained standardized open-ended questions to ensure that the same general areas of information were collected from each interviewee. Interviewers were trained how to use the guide to conduct semi-structured, conversational interviews.

B. Earnings

"It sucks because you basically work just to pay for child care." - Female, African American, 3 years in the industry, Cashier

"And it hurt and you would come out of the shift hurting. Getting off the shift at 5 or 6 am in the morning and having to get to work [in] 7 hours on your feet to have managers bitch at you. And not help you at all [and] during that time only getting paid 8-9 dollars an hour to do that." - Male, White, over 4 years in the industry, Bartender

"It's hard working on tips; you never know what you're going to make or what you're going to get." - Male, White, 7 years in the industry, Cook

Our survey data are consistent with government and industry statistics demonstrating that restaurant work is primarily low-wage work.
Our survey research indicates that eighty-six percent (86.3%) of Washington, DC restaurant workers earn less than the livable wage of $21.89 an hour. Over eleven percent (11.4%) of this group do not even earn the legal minimum wage of $8.25— even when tips are accounted for. Only 13.7% of workers make a livable wage (see side box for wage group definitions).

Interviews with workers revealed frustration around living with low wages and living on tips that are undependable. A female server in the industry for two years told us of her difficulties depending on tips, “I make $2.77 an hour so I never see a paycheck. Tips really depend. You don’t realize how seasonal it is. Everything impacts your wallet.” A bartender with seven years industry experience found the wage she receives from the restaurant absurdly low. “In my 7 years of experience, I have received a check from one place and it was maybe just measly over what they’ve already taken from taxes.” A quick-serve worker with 5 years in the industry told us that the low pay is pushing him to find other work, “Sometimes [I think about leaving]. It’s just the pay. I plan on getting a car and I know this pay isn’t going to cut it all.”

A server and bartender with 20 years of industry experience was indignant about the federal tipped minimum wage of $2.13, which is not much different from the Washington, DC tipped minimum wage of $2.77. “[I] believe in raising the tipped minimum wage. It definitely should not be $2.13/hour. That sounds like what someone makes in India, in a third world country. It just doesn’t make any sense in the United States of America when you look around and see all the prosperity… We go without paying our rents. I’ve almost been evicted… but I left before I got evicted because I just couldn’t make enough to survive on tips.”

Methodology for Definition of Wage Groups for Survey Data Analysis:

Real wages were determined by either calculating workers’ average weekly earnings including tips and dividing by the average number of hours worked per week or, for un-tipped workers, using their hourly wage. Wage groups were then created using the District of Columbia minimum wage at the time the survey was conducted: $8.25 ($17,160 annually at 40 hours per week), the Department of Health and Human Services (HHS) 2008 federal poverty line earnings for a family of three of $18,310 per year (meaning $8.80 per week at 40 hours per week), and the Economic Policy Institute’s (EPI) Basic Family Budget Calculator for the livable wage for a family of three. The following six factors were chosen to calculate a livable wage: a) housing, b) food, c) transportation, d) healthcare, e) taxes and f) other basic necessities. The livable wage was calculated to be $21.89 an hour ($45,531 annually at 40 hours per week). The EPI livable wage should be distinguished from the “living wage” of $12.50 that recipients of government contracts must pay according to the DC Living Wage Act of 2006. This wage is not defined by an objective, standard criteria while the EPI livable wage does. The wage groups and distribution of the sample can be seen in Table 4.

<table>
<thead>
<tr>
<th>Wage Group</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than Minimum Wage (&lt; $8.25)</td>
<td>11.4%</td>
</tr>
<tr>
<td>Below Poverty Line ($8.25–$8.80)</td>
<td>21.3%</td>
</tr>
<tr>
<td>Low Wage ($8.81–$21.88)</td>
<td>53.6%</td>
</tr>
<tr>
<td>Livable Wage ($21.89 and higher)</td>
<td>13.7%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

The results of our worker surveys and interviews demonstrate a large discrepancy between workers of color and White workers in wages and positions. The impact of occupational segregation (to be discussed further in Chapter V: Segregation & Discrimination) is substantial: we found the median wage of the survey sample to be $10.31 an hour, but when workers of color were taken out of our sample, the median wage rose to $16.23 an hour.
Chapter III

The Restaurant Industry Contribution to Washington, DC Poverty

The restaurant industry is a major contributor to Washington, DC’s poverty problems. A recent report by the Fiscal Policy Institute shows that the nation’s capital suffers from extreme poverty. The overall poverty rate in Washington, DC increased from 16.9% in 2008 to 18.9% in 2009—one of the highest poverty rates in the country. The District also has large income disparities based on race. The median White family household income in 2008 was approximately $101,000, while the median Black family household income was approximately $39,000. These, however, are not the only challenges the District faces. Washington, DC also suffers from a painfully high underemployment rate at 12%. DC Appleseed Executive Director Walter Smith asserts, “We have some of the worst numbers in the nation, by any measure, when it comes to poverty.” Our research indicates that with 21.3% of DC restaurant workers earning poverty wages, restaurant workers make up a disproportionately high percentage of Washington, DC’s poor.

What Does it Mean to Live on a Restaurant Worker’s Earnings?

According to the National Low Income Housing Coalition (NLIHC), while the fair market rent for a two-bedroom unit in Washington, DC is $1,494, an extremely low-income household (earning $31,050 or 30% of the area median income of $103,500) can afford monthly rent of no more than $776. On average, a restaurant worker earning the Washington, DC median wage of $11.11 per hour can afford monthly housing costs of no more than $579. For these restaurant workers to afford rent and utilities for a two bedroom at fair market rent, without paying more than 30% of their income on housing, their household must earn $4,980 monthly or $59,760 annually. At $11.11 per hour the typical restaurant worker would have to work approximately 103 hours per week in order to afford a two-bedroom unit at the area’s fair market rent. NLIHC determined that the “housing wage” – the amount a full time worker must earn per hour in order to afford a two-bedroom unit at the area’s Fair Market rent – in Washington, DC is $28.73. Ninety-six percent of our survey sample earned less than this amount.

Wage Laws in Washington, DC:

In general, DC employers are legally required to follow the city’s minimum wage of $8.25. However, the earnings picture is slightly different for restaurant workers when compared to other workers because an exception to minimum wage laws is made for workers who regularly receive tips. As a result, restaurant employers in the District of Columbia are permitted to pay tipped workers minimum wages of $2.77 per hour, or 34% of the minimum wage, as long as tips make up the difference between $2.77 and the minimum hourly wage of $8.25. If they do not, the employer must pay workers the difference.

Immigrants in the Restaurant Industry

Almost a third of workers (32.7%) in our restaurant worker sample were born in another country. Over forty four percent of these immigrant workers reported that they did not have legal status to work in the United States. Their actual proportion in the restaurant workforce is likely even higher given the possible reluctance of workers to report their immigration status or “off the books” employment. Despite the legal implications of the 1986 Immigration Reform and Control Act (IRCA), which made it illegal for employers to knowingly hire or recruit immigrants who do not possess lawful work authorization and required employers to attest to their employees’ immigration status, many employers with whom we spoke told us that undocumented immigrants are widely employed in the industry. Various reports and news stories confirm that the restaurant industry provides an entry-point for undocumented workers, particularly because of the opportunities to earn cash by the hour – even when earnings are below federal and state mandated minimum wages.

The Restaurant Industry Contribution to Washington, DC Poverty

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Jaycee Davis, 23 years of industry experience, dishwasher, prep cook

A 44 year-old father of one, Jaycee Davis has worked in the back of the house of Washington, DC restaurants for 23 years as a dishwasher and then later as a prep cook. After years of frustration in the industry with low wages, a stagnant career ladder, and a constant lack of job security, he aspires to be a manager with a livable wage or a paramedic to learn how to “save lives. That’s what I want to do,” he told us.

After 23 years of industry experience, Davis has only managed to reach a wage of $12 an hour ($24,960 annually at 40 hours per week). He expressed his frustration at the fact that the rise in the cost of living, particularly housing, far outpaced his wage increases. “When I first started, $6.25 an hour was a lot of money. Back in 1987, apartment [rent] was $250 a month. You can’t do that now. Now you need to get subsidized housing.” Due to the rising cost of rent in DC, the only living space he can afford requires that he live with three roommates to share rental costs. He is currently searching for a higher paying position, because, at 44 years old, he said, “I’d rather have my own apartment. I can’t do that until I find a decent job. I need to make at least a [livable] wage.” According to the Economic Policy Institute, the livable wage in Washington, DC is $21.89 because of particularly high cost of living. Davis recently found a position paying $13 an hour at a restaurant across town, but describes the barrier of transportation costs. “That’s the catch 22, you’re going to have to catch the train then a shuttle. [The train costs] $5-6 each way. That’s about $12 [total]” The cost of transportation would outweigh the higher pay.

Davis also recounted the racial discrimination he has faced as an African American throughout his career. In one restaurant where he worked in the kitchen as a dishwasher, he describes the disparities in hiring practices, wages, and promotions: “They would pay Blacks less money and they would not promote Blacks to a higher position. The experience I had was the worst experience I ever had in my life. It was terrible. They wouldn’t promote Blacks to sous chef. … it was White people in the front of the house. Black people in the back of the house.” After an ongoing conflict with a White female front-of-the-house employee, Davis faced a double standard when the manager would consistently side with the White employee. “There was this one White girl who knew she had the backing of the manager. She would throw dishes on the table. [When he would retaliate by throwing them back] She would run to the manager.” This same manager also made a comment when he saw another employee help Davis wash dishes, asking “What are you doing helping this Black guy?” Shortly after leaving this restaurant, he found out a lawsuit was being filed for discriminatory management practices.

Davis also describes how the racial make-up in the back-of-the-house positions has changed over the years he has been in the industry. “In 1987 when I started, there were more Blacks than Spanish people. Now it’s more Spanish people than Blacks in the kitchen.” He is trying to learn Spanish to improve his communication with co-workers in the kitchen and assist in his search for a higher wage and a more dignified living arrangement. When asked his advice on what could improve the situation for restaurant workers, he said higher and more equitable wages are a priority to ease their financial burden.

C. Benefits

“I have never ever received any benefits working at any restaurant except for [restaurant name] and that was because there I worked as a server but then moved up to management. However, when I was offered benefits there, it took me almost a year just dealing with the bureaucracy of the corporation.” - Female, Biracial, Black and White, 20 years in the industry, Server and Bartender

In addition to being paid low wages, often times below the poverty level, and working long hours, the majority of restaurant workers surveyed reported that they do not receive basic workplace benefits. The data in Table 5 reveals that the vast majority of workers surveyed do not have health insurance through their employers (89.4%), and almost half (47.9%) reported not having any type of health insurance coverage at all. An overwhelming majority reported that they do not get paid sick days (79.4%) or paid vacation days (83.5%). Almost two-thirds of the survey sample (59.0%) reported that they had worked when sick.
TABLE 5: Job Benefits and Health Reported by Restaurant Workers

| Employer does not provide health insurance | 89.4% |
| Do not have any health insurance coverage  | 47.9% |
| Gone to the ER without being able to pay   | 17.9% |
| Do not get paid sick days                  | 79.4% |
| Do not get paid vacation days              | 83.5% |
| Have worked when sick                     | 59%  |

Source: DC Restaurant Industry Coalition survey data

The lack of job benefits and health care available for restaurant workers means that they must depend on other family members or on the state for benefits. Over twenty percent of workers surveyed with health insurance reported being covered through a member of their family and 28.4% percent reported receiving health insurance coverage from a state or federal source.

As the restaurant industry’s share of the DC economy increases, the lack of health benefits among workers in that sector means that a growing portion of the District’s workforce does not have access to employer-sponsored health benefits. This trend is not distributed evenly across racial groups. Whereas 28.0% of White workers in our survey received health insurance at least partly through their employer, only 6.9% of workers of color did. Even among workers who reported receiving health insurance through their employer, almost a third (29.3%) did not have coverage for their families. Because historically-excluded communities of color and immigrants have fewer avenues of access to health insurance, they are less likely than Whites to obtain coverage if they do not have employer-sponsored benefits. Overall, 73.8% of White restaurant workers had health insurance – whether employer-sponsored or not – while only 48.7% of restaurant workers of color did.

Workers’ responses during interviews were consistent with the survey research. Namely, they almost never receive benefits and this causes great difficulty for them. When asked what type of benefits she receives as a restaurant worker, a hostess and bartender with 2 years industry experience laughed loudly and sarcastically answered, “Alcohol? Hahahaha. No benefits.”

In addition to reporting that they “never received benefits,” the majority of the workers we interviewed reported that they were unable to get unpaid time off when needed, even when they were sick. A server and bartender with 13 years of industry experience told us, “There’s no benefits. The general manager might get some kind of health benefit. There’s no sick leave or paid vacation time for servers or front of the house staff.” Despite the public health risks associated with working while sick, almost two thirds of our survey sample reported working while sick (59.0%).

D. Opportunities for Advancement

“Because I see many places in this restaurant… there are workers that they have long time working with more than ten years but they don’t have any promotion… that they have a busboy for almost ten years, nine years and they don’t have any opportunities to move up.” – Male, Latino, over 10 years in the industry, Food Runner

“Like if [a promotion] was offered to internal staff before the general population. If they promote from within it motivates other employees.” – Male, Ethiopian, 7 years in the industry, Server

“I been waiting patiently to get raises but it’s just like a couple cents here and there.” – Male, Latino, 5 years in the industry, all positions

In addition to poor wages and benefits, restaurant workers have few opportunities to move up in the industry (see Table 6). Regardless of occupation, restaurant type, or length of service at a restaurant, workers reported that opportunities to increase their earnings through seniority or by working their way up the industry ladder are few and far between. Sixty-eight percent (68.4%) of our survey sample reported that they do not receive regular raises, and over
three fourths (76.7%) responded that they had never been promoted. These trends held whether a worker remained in the same place of employment or sought other opportunities. In fact, 64.3% of workers responded that when they took a new job, they did not move up from the job the previously held. Moreover, 51.0% of workers do not receive the necessary on-the-job training to be promoted.

### TABLE 6: Raises and Promotions Reported by Restaurant Workers

<table>
<thead>
<tr>
<th>Do not receive regular raises</th>
<th>68.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have never received a promotion</td>
<td>76.7%</td>
</tr>
<tr>
<td>Did not move up in position from last job to the current job</td>
<td>64.3%</td>
</tr>
<tr>
<td>Did not receive on-going job training needed to be promoted from employer</td>
<td>51%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

Workers interviewed repeatedly told us about the absence of sufficient opportunity for advancement in their workplace. One server with three years of industry experience said that intimidation creates a barrier from asking for a promotion. When asked about internal barriers to promotion, he responded, “You’re scared s**tless.” However, workers reported that even when they did ask for a promotion, they were often ignored. A runner with a decade industry experience reported repeatedly asking for a promotion. “I asked many times, almost two years, ask for opportunity [to move up]. Always they deny... they say, ‘Okay, let me talk about this with the general manager.’ Then that’s it. No, they don’t care what the workers want.” Workers also told us that there is often no system put in place for raises. A server who has been in the industry for seven years told us, “There is no system. Presumably if a manager lasted for more than a couple of months, he would get a raise. But no, nobody else.”

One particularly frustrating and common employment practice that workers described was hiring from outside the restaurant while many workers from within wait for a promotion to the same position. A quick-serve cashier expressed her frustration that she was the most capable for the management position, but repeatedly got passed over by external management candidates. “They’ll come in and then I train them to be my manager. It’s dumb.” A server with 10 years in the industry told us how management tried to avoid promoting a worker by using a secret hiring process, which ultimately failed. “There was this man, there was this old man, probably at least 70 years old, he was doing cashier, but he really wanted to be a manager. I saw an ad in the newspaper from the restaurant. It said it was confidential. Can you reply confidential? So it means that whoever gets the mail when it comes in could not see they were looking for a manager.”

### E. Employment and Labor Violations

“**Yes, not paid for overtime, but worked overtime. Once the manager left, everybody’s check was messed up. The owner didn’t try to fix it.**” – Female, African American, 10 years in the industry, Server

“The management got really mad and told us to go off the clock after our last table so we’d still be getting side work and tips and stuff and one girl got really mad and said, ‘off the clock, why would you want me to do that when I’m here working for you?’ and another girl was like ‘if I get injured while I’m off the clock, then you have a lawsuit waiting.’” – Female, Latina, 2 years in the industry, Server

“And as a comparison to other places that haven’t even paid me yet, even today I do not know if I have lost my money or all of the hours I worked… In fact, the owner of that other place called the police and when I talked to the police, it was actually them who told me to come here. The policemen told me ‘you have rights,…’ So then I told my employer, please give me my money. So then he invented that I had harmed certain things. That is not true. So he said that he was going to discount the value of those things from the money he owed me.” – Male, Latino, 8 years in the industry, Barback
As illustrated in Table 7, many workers reported being paid less than minimum wage and receiving no overtime pay when they worked more than 40 hours per week, in violation of both federal and state wage and hour laws. More than a third (33.5%) of workers told us they were not paid overtime when they worked beyond the standard 40-hour workweek. A Latino barback with 8 years of industry experience told us “I worked in a club where I was working 80 hours and I was never paid overtime.” A server and bartender in the industry for 13 years told us that she has witnessed many overtime violations. “I’ve been seeing a lot of the staff were very upset because they didn’t get paid their overtime. Some of them were really, really upset.”

These experiences illustrate the importance of qualitative studies in industries such as the restaurant industry, which are not closely regulated and rely heavily on informal employment arrangements. Many such workplace practices are not reported to government agencies or industry associations.

Eleven percent (11.4%) of the worker sample earned less than $8.25 per hour, in violation of the law. In the District of Columbia, employers may pay as little as $2.77 an hour to tipped employees, as long as they receive enough in tips to make up the difference between the tipped wage and the minimum wage of $8.25 per hour. If tips are insufficient to bring workers up to the minimum wage, employers are obliged to make up the difference. However, many workers were not aware of their employers’ legal responsibilities. Only 18.5% of the survey sample answered correctly when asked for the correct legal minimum wage of $8.25 and even fewer reported the correct tipped minimum wage of $2.77 (9.7%). This is despite the fact that employers are legally mandated to post a sign at the workplace in English and Spanish that states the correct minimum wages and the employees’ options of recourse if employers do not follow the law. A server and bartender told us that the restaurant she works at does not compensate her when her tips fall below $8.25 per hour. “There have been times where I have worked for 7 hours and made 10 bucks. And at [restaurant name] where I would work ‘til 3 am and walk with $20 dollars.”

Thirty-five percent (35.4%) of our survey sample worked “off the clock” without pay. A food runner with ten years of industry experience told us, “The last thing I heard is a dishwasher worked in a week 56 hours. And at the end, they pay every two weeks, so he works more than a hundred in two weeks. But they pay eighty hours because they don’t pay overtime there. … If I request about the hours, they may fire him.” A bartender with 13 years of industry experience told us about a friend of hers in a hotel restaurant, “I have a friend that is working at a hotel now; they make him clock out even though he is still working not because they can’t afford to pay him the hourly, but because he [is] here on a visa. They make him clock out. The HR doesn’t necessary know about it, but I [am] sure that they really don’t care.”

Nine percent (9.3%) of tipped workers reported that management was unlawfully taking a share of their daily tips—a severe burden to workers who are already being paid very low wages. A barback with 8 years industry experience told us that among many other labor violations, the owner would keep his tips. “He used to pay me on Fridays and I had to go on Fridays to him begging ‘pay me the check, please, I need money.’ So he would give me a check and I would go to the bank and then find out that it was a bounced check. I would have to go to the bank at 7am to change my check, or things like that. And my tip was all in envelopes that he was never giving me.”
Finally, some workers said they had witnessed or experienced some form of retaliation for organizing. Retaliation by employers against employees that organize is explicitly forbidden by the National Labor Relations Act. Nevertheless, a prep cook with one-and-a-half years industry experience witnessed a clear case of retaliation: “One day the cooks did a strike, they wanted a raise. But the owners didn’t want to give them a raise. The one who spoke up the most to the owner got red.” A food runner with ten years industry experience told us, “I think that they don’t like a person when [he or she] requests their rights. They don’t like that kind of person.”

F. Health and Safety Violations

“You know [restaurant safety hazards include] open flames, falling knives, picking up and being run into with hot dishes, broken glassware, slipping and falling. You know customers throwing things at you.” - Male, White, 7 years in the industry, Cook

“The dish room is in the basement...and often times you will be carrying a tray of silverware up one or two flights of stairs...which is kind of intense and of course for the barbacks it is much worse because you will be carrying ice up and down the stairs constantly...” - Female, White, 7 years in the industry, Server

“This is a kind of crappy thing to say but just experience, restaurants would work better if owners had worked in restaurants and could think about things like staircases, and loads, and remembering to buy new mats when the old one gets holes, a lot of these things, you are not going to know about unless you are doing them.” - Female, White, 7 years in the industry, Server

Our survey data also revealed that restaurant workplaces commonly do not employ or enforce regulations designed to ensure the health and safety of workers, in violation of the federal Occupational Safety and Health Act (OSHA).

<table>
<thead>
<tr>
<th>Table 8: Health and Safety Violations Reported by Restaurant Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsafely hot in the kitchen</td>
</tr>
<tr>
<td>Fire hazards in the restaurant</td>
</tr>
<tr>
<td>Missing mats on the floor to prevent slipping</td>
</tr>
<tr>
<td>Missing guards on cutting machines</td>
</tr>
<tr>
<td>Done something that put own safety at risk</td>
</tr>
<tr>
<td>Did not receive instruction or training about workplace safety</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

As shown in Table 8, close to thirty percent (29.7%) of the survey sample reported that it gets unsafely hot in the kitchen where they work. Significant numbers of workers reported fire hazards such as blocked doors or non-functioning fire extinguishers in the restaurant where they worked (20.6%) as well as absence of guards on the cutting machines (15.0%) and mats on the floor to prevent slippage (23.5%). Nearly a quarter of the sample (24.5%) reported having done something at work that put their own safety at risk. Despite the prevalence of health and safety hazards in restaurant workplaces, almost a fourth of workers (22.7%) told us they did not receive health and safety training from their employers.
Several workers reported unsafe and unhealthy working conditions. A server with 15 years industry experience told us of the sarcastic response that the kitchen manager gave him when he brought the unsafe conditions to his attention. He told the company, “There is no fan or air-conditioning for the kitchen staff. They explained, ‘cause they mess [up] the flames. Hot… it was hot. And I complained that it was hot, so the chef came and fanned me.” A server and bartender with thirteen years industry experience told us about a severe slip hazard. “There is one area soon as you enter from the back entrance that’s really bad. There’s always water right there… I’m not sure why they don’t fix that plumbing problem.”

**TABLE 9: Workplace Injuries Reported by Restaurant Workers**

<table>
<thead>
<tr>
<th>Injury Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burned while on the job</td>
<td>48.2%</td>
</tr>
<tr>
<td>Cut while on the job</td>
<td>50%</td>
</tr>
<tr>
<td>Slipped and injured while on the job</td>
<td>15.6%</td>
</tr>
<tr>
<td>Came into contact with toxic chemicals while on the job</td>
<td>40.5%</td>
</tr>
<tr>
<td>Have chronic pain caused or worsened by the job</td>
<td>18.6%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

Table 9 demonstrates that on-the-job injuries are pervasive in DC restaurants. Fifty percent (50.0%) of the survey sample had suffered work-related cuts on at least one occasion, 48.2% had been burned on the job, and 40.5% had come into contact with toxic chemicals. Fifteen percent (15.6%) reported that they had slipped and injured themselves while at work. Additionally, 18.6% reported chronic pain that was caused or worsened by their job. A server with ten years in the industry told us about the callous attitude the owners at one restaurant had toward the safety of the workers, “I saw a lot of falls and cuts, … they [management] didn’t seem to care. They owned 11 different businesses at that time, most of them in the restaurant industry. They know they can do this. There are no consequences.” Many workers told us that the restaurant was not equipped with a proper first aid kit or that management would discourage the worker from seeking proper medical care to avoid paying workers compensation. A prep cook with one-and-a-half years experience in the industry told us, “One man got burned, with oil, and they didn’t give him anything. They say in other restaurants there are first aid kits, but here no. We try to take care.” A bartender in the industry for 13 years told us that she was severely burned once when she was younger and management discouraged her from seeking medical care, even though she was “blistering as I was standing there. They said, “No you are fine, you don’t have to go to the hospital, because he didn’t want to fill out the paperwork? Since that time, I probably won’t allow anyone to talk me out of it. That’s the difference from being seventeen and being twenty-two.”

**TABLE 10: Workplace Practices Reported by Restaurant Workers**

<table>
<thead>
<tr>
<th>Practice Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Worked when the restaurant was understaffed</td>
<td>75.8%</td>
</tr>
<tr>
<td>Performed several jobs at once</td>
<td>74.8%</td>
</tr>
<tr>
<td>Experienced verbal abuse from supervisors</td>
<td>32.3%</td>
</tr>
<tr>
<td>Performed a job not trained for</td>
<td>40.9%</td>
</tr>
<tr>
<td>Done something that has put own health and safety at risk</td>
<td>24.5%</td>
</tr>
<tr>
<td>Done something due to time pressure that might have harmed the health and safety of customers</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

Table 10 reveals that understaffing, defined as not having enough staff to run the restaurant safely without excessive strain and stress on workers, is a common industry practice. An overwhelming majority of respondents (75.8%) reported working when their restaurant was understaffed and a similar number said they have performed several jobs at once (74.8%). More than two out of every five workers responded that they have been required to perform jobs for which they had not been trained (40.9 %). And, as previously discussed, almost two-thirds of workers worked while sick (59.0%) and almost one out of every four workers did something that put their own safety at risk (24.5%). Such low-road workplace practices not only affect workers, but can also have serious consequences for consumers. Over a third of workers reported doing something that might have put the health and safety of the customer at risk as a result of time pressure.
Several workers talked about their difficulties with time pressure, stress and lack of breaks. A server with three years industry experience told us “I had a friend who worked at [restaurant name] who hated it; she actually once had a nervous breakdown and cried so loud they asked her to go to the back.” A prep cook with a year and a half in the industry said that her employer compared the employees to dogs with regard to how much they merited a break, “No [break], nothing. Sometimes we can’t even drink water, because there’s so much work. There’s no break when they give you food. I know this is common in restaurants, but according to the law there should be a break.... The owner said, “Better to feed dogs than employees.”

The federal Occupational Safety and Health Act (OSHA) imposes standards for health and safety in the workplace, requiring employers to provide protection for workers in hazardous environments and to keep records of all workplace injuries and accidents. OSHA covers toxic chemical use – the statute requires gloves, for example, for dishwashers and kitchen cleaners who use very heavy toxic chemicals – and temperature of work environments, including excessively hot kitchens. While there is no mandatory requirement that employees be provided with specific health and safety training, such training is effectively necessary to ensure compliance with OSHA and workers’ compensation law.

Employers in the District of Columbia must secure workers’ compensation insurance for every employee. D.C compensation law also stipulates that, provided the employer is informed of any workplace accident within 30 days, workers’ related medical expenses will be fully covered. Workers are also eligible for fixed compensation for any permanent disability due to a workplace injury.

G. Many “bad jobs,” a few “good jobs”

“You know what, I cannot continue with this. If there is another opportunity, in another place, I may go because I cannot… you are not allowed to speak your rights.” - Male, Latino, over 10 years in the industry, Food Runner

Analysis of our data revealed the existence of not only the low-road practices described above, but also of significant associations between workers’ earnings, benefits and workplace conditions. Since so many of the jobs in the restaurant industry are long-term, with the average length of time that survey respondents had worked in their current restaurant equaling 2.4 years, and 26.4% of the survey sample working in their current restaurant for over three years, we cannot dismiss poor working conditions as a temporary situation for these workers. For many workers, especially workers of color and immigrant workers, restaurant jobs are long-term. One out of every three workers surveyed (32.4%) that reported working in their current restaurant more than six years were immigrants. Additionally, there was a relationship between workers that reported receiving promotions and the length of time they stayed working in one restaurant. Workers who had received a promotion reported a median length of time in their current restaurant of 2.7, while workers who had not received a promotion reported a median time at their current restaurant of only 1.1 years. For example, a sous chef with nine years industry experience told us “I don’t have insurance, so I’m going to look for a job with insurance and good pay.”

These perspectives are consistent with our survey data: workers stay longer when they are promoted instead of quitting their jobs in search of better opportunities and higher wages. The median hourly wage reported by workers that worked in the same restaurant for three to six years was $12.00, compared to $9.34 for workers who worked in the same location for a year or less, possibly indicating that workers who earn better wages and/or raises are more likely to stay at the same restaurant longer. A server with seven years experience cautioned anyone that might overlook the size of the industry or dismiss restaurant work as a mere passing stage in restaurant workers’ lives. He told us “People would be fairly surprised how many people have worked in a restaurant at some point in their life. It’s easily dismissed, because it’s not a career per se for every person. It’s taken lightly but it is their job. Recognition that this is a massive industry [is needed]... I think recognition of the industry [and] the people who are in it, especially in urban areas made up of minority or immigrant background [is needed].”
Our research shows that when workers receive low wages and experience a lack of promotions and benefits, they frequently encounter a large number of additional poor workplace practices, creating an industry of many “bad jobs” and few “good jobs.” Specifically, our data demonstrates that workers earning wages below the poverty line are:

- Less likely to receive regular raises, promotions and job training needed to move up in the industry. Conversely, workers earning wages above the poverty line are more likely to have received promotions within their workplace or when they move from one job to another than workers earning wages below the poverty line.

- Less likely to receive important workplace benefits, paid sick, and vacation days. Workers in livable wage jobs were almost twice as likely as workers making less than minimum wage to have health insurance.

- More likely to be exposed to unhealthy and unsafe workplaces, more likely to have to work longer hours in order to make a sustainable living in the industry and more likely to suffer employment law violations. This is particularly true for workers experiencing minimum wage violations. For example, more than four fifths (83.3%) of workers earning less than minimum wage and working over 40 hours a week reported overtime pay violations, compared to less than half (41.2%) of workers working 40 hours a week in livable wage jobs.

While the number of jobs available in the restaurant industry is growing, our survey data and interviews with workers demonstrate that the industry is plagued by a number of serious problems. Presently, most of the jobs being generated by the industry are “bad jobs” – characterized by low wages, few benefits, few options for upward mobility and illegal workplace conditions. According to workers’ testimonies and the results from our survey data, “good jobs,” those with higher wages, benefits and somewhat less onerous working conditions, are few and far between. Such jobs do exist, thereby demonstrating that it is possible to pay workers a livable wage and remain in business. As will be further outlined in Chapter V: Segregation & Discrimination, it is largely workers of color and immigrants who are exposed to these “bad jobs,” while White Americans disproportionately benefit from the few good ones. Our interviews with employers, discussed in the following chapter, identify some of the factors that impact workplace conditions and practices, and provide guidance for addressing them.

**TABLE 11: Conditions Reported by Restaurant Workers, by Wage Group**

<table>
<thead>
<tr>
<th>Conditions Reported by Restaurant Workers</th>
<th>Below poverty line ($8.80)</th>
<th>Above poverty line ($8.80)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do not get regular raises</td>
<td>73%</td>
<td>69.6%</td>
</tr>
<tr>
<td>Do not receive paid vacation days</td>
<td>94.3%</td>
<td>79.8%</td>
</tr>
<tr>
<td>Do not receive paid sick days</td>
<td>87.6%</td>
<td>75.4%</td>
</tr>
<tr>
<td>Do not have health insurance</td>
<td>48.8%</td>
<td>45.6%</td>
</tr>
<tr>
<td>Have not been promoted</td>
<td>82.7%</td>
<td>75.6%</td>
</tr>
<tr>
<td>Have done something due to time pressure that might have harmed the health and safety of the customer</td>
<td>18.7%</td>
<td>18.1%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data
Maya Paley, African-American, 29 years old, 12 years in industry, Hostess

Growing up in Washington, DC, Maya Paley started restaurant work at age 17 as a hostess in a family style chain restaurant and has since worked the hostess position in various Washington, DC fine dining restaurants. Outside of the restaurant industry, her passion is fashion, having studied it in college and having worked in the industry while working in the restaurant industry at the same time. Now at 29, despite her love for the work, Paley has been frustrated by discriminatory practices in her efforts to move up a career ladder in the restaurant industry.

Paley has actively tried to utilize her experience to better herself and move into a management position. She told us of several occasions when White males were promoted despite her requests to be promoted herself and despite her superior qualifications. On one such occasion, “I was a hostess there at night and I was also an office manager there on weekends. So I was there maybe a month shy of two years. I knew that restaurant like the back of my hand. I told my general manager, ‘I’m ready to take on more responsibility. I’m office manager on the weekends and I have all of this other experience. Can you at least make me an assistant manager or a sales position or something related?’ [After saying no] he turned around and hired someone that had no fine dining experience. He was a manager at [family style chain restaurant name] instead of hiring someone from within [the restaurant]. … He knew I was clearly interested and I was clearly capable because I ran the restaurant when he was out having surgery! … So if that wasn’t a smack in the face, [the manager] goes and hires someone else [for another assistant manager position]. And those two people that were assistant managers, I had to train them to tell me what to do! It made me feel bad!” Both assistant managers were White men.

Feeling frustrated, Paley left to another restaurant where she hoped to find an opportunity to be promoted to management. “I sent in my resume to this really nice steakhouse in Washington [for the Maitre’d position]. My resume at that point was amazing as far as the serving industry and as far as the entertainment/hospitality industry is concerned. I spoke with the general manager for like five minutes and we really hit it off, so it was really promising. In my mind I knew I got the job. So I get into the restaurant and the general manager is like ‘You’re Maya?’ He was really taken aback when he saw me. He was really taken aback by my appearance even though I was very well dressed. I was impeccably dressed actually. He was really taken aback by my appearance and he told me, ‘You don’t have the look to be a Maitre’d but I can hire you as a hostess.’ The person that he eventually hired for the Maitre’d position was a tall White man and I had way more experience than him. … I was extremely disappointed. … At that point I was really ready to take on more responsibility and really, really get into the restaurant industry but once he told me that [I was disappointed again],”

Paley eventually left this restaurant as well. “I felt like I need to go buy a tall-White-man suit. Maybe then I could get promoted. … I guess in this industry it doesn’t really matter [about experience and skill]. I realized that there’s no way that I would be able to—I’m sure it’s possible, all things are possible—but brutal honesty: I wouldn’t stand a chance in hell … unless I sit on someone’s director’s couch.” She told us that women must often do sexual favors to advance in the industry. However, having maintained her pride and dignity through a challenging restaurant career, she told us, “I’ve never been willing to do that because I’ve never wanted to be someone’s sexual toilet.”

Working in the nation’s capitol, Paley is confronted daily with the contradiction of serving lawmakers who could make the changes that are desperately needed but have failed to do so thus far. In her experience in Washington, DC restaurants, those lawmakers are often influenced by groups that do not have the interest of the public at heart. She expressed her disillusionment: “I saw a lot of shady shady things in that restaurant [where she trained two assistant managers promoted over her]. … It really isn’t the people who run the government. It’s the corporations for sure. Various companies, they would host parties. And they would give congressman, senators or whoever, money for showing up. [Congressmen and companies from] all across the country. I definitely felt disenfranchised, but to see that, it just made me lose all hope in this god-blessed country because now I know how these crazy laws get passed. Now I know why they didn’t vote for the laws that they should have passed: because they’re out to dinner every night getting ten thousand dollar checks for their pockets for not voting or voting a certain way. And it’s sad, because the American people are getting hurt by this. So my little discrimination is just a drop in the bucket of these ridiculous things that go on in this city.”
CHAPTER IV
Employers’ Perspectives
CHAPTER IV

Employers’ Perspectives

Our interviews with employers in the Washington, DC restaurant industry were a rich source of information regarding the constraints under which they operate, which in many cases lead them to engage in the practices described by workers in Chapter III: Workers’ Perspectives – often despite their best intentions and their expressed belief that restaurant workers are critical to their success. Our interviews with employers highlighted the principles and approaches adopted by employers pursuing the high road – those who manage to maintain successful businesses while ensuring that their workers earn a livable wage and are guaranteed workplace benefits and safe work environments. As such, the perspectives summarized in this chapter can serve to guide further study of the industry, and, perhaps most importantly, lay the groundwork for initiatives developed in partnership by restaurant workers and employers.

Our interviews with employers revealed that:

- Market volatility brought about by factors beyond employers’ control such as economic downturns, and changing tastes require significant flexibility on the part of restaurant employers.

- Worker productivity and low employee turnover are both important to profitability. Workplace practices intended to decrease costs, such as understaffing and inconsistent scheduling can have the opposite effect of increasing employee turnover, creating a dilemma for many employers.

- The majority of DC restaurant employers elect to take the low road to profitability. While employers recognized the importance of employee satisfaction for productivity and decreased turnover, they also reported that wage theft is prevalent in the restaurant industry.

- Many employers stated that they would like to offer their workers health insurance but maintain that it is almost impossible to do so due to prohibitive costs.

- It is possible to achieve profitability by taking the high road and paying livable wages, providing necessary workplace benefits, and maintaining a safe working environment when there is a non-negotiable commitment to doing so.
A. Introduction and Methodology

In order to obtain a better understanding of factors that drive workplace practices, the Washington, DC Restaurant Industry Coalition interviewed restaurant employers in the District of Columbia. We conducted in-depth interviews with 30 restaurant employers, including owners and managers, from July 2009 to September 2010. Employers were selected for interviews in a manner designed to gather data reflective of the distribution of the different segments - fine dining, casual/family style, fast food/quick serve – and sizes of Washington, DC’s restaurants. Table 12 shows the profile of employers that we interviewed. The interviews included questions regarding trends in the industry over time, factors affecting business practices, strategies for running a profitable business, workplace practices, and the role of the informal economy in the region’s restaurant industry.

<table>
<thead>
<tr>
<th>Industry Segment</th>
<th>Frequency (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fine Dining</td>
<td>10 (33%)</td>
</tr>
<tr>
<td>Family Style/Casual Dining</td>
<td>11 (37%)</td>
</tr>
<tr>
<td>Quick Serve</td>
<td>9 (30%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
</tr>
<tr>
<td>Position</td>
<td></td>
</tr>
<tr>
<td>Owner</td>
<td>9 (30%)</td>
</tr>
<tr>
<td>Manager/General Manager</td>
<td>21 (70%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>26 (87%)</td>
</tr>
<tr>
<td>Female</td>
<td>4 (13%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
</tr>
<tr>
<td>Length of time in industry</td>
<td></td>
</tr>
<tr>
<td>Less than 1 year</td>
<td>1 (3%)</td>
</tr>
<tr>
<td>1-3 years</td>
<td>0 (0%)</td>
</tr>
<tr>
<td>3-6 years</td>
<td>1 (3%)</td>
</tr>
<tr>
<td>6-10 years</td>
<td>5 (17%)</td>
</tr>
<tr>
<td>More than 10 years</td>
<td>23 (77%)</td>
</tr>
<tr>
<td>Total</td>
<td>30 (100%)</td>
</tr>
</tbody>
</table>

Source: Washington, DC Restaurant Industry Coalition interview data

Overwhelmingly, restaurant employers we interviewed recognized the important role that workers play in the vitality of the industry and the success of their businesses. The vast majority of employers described their workplace policies as supportive of workers and their development. However, when employer and worker responses to our surveys are juxtaposed, a more complex picture emerges.

Both worker surveys and employer interviews confirm that some employers are paying livable wages, providing comprehensive benefits, and ensuring healthy work conditions while successfully running a profitable business. Indeed, 13.7% of our survey sample are paid a livable wage by their employers, and a similar number reported receiving workplace benefits.

These employers, however, are the exception, rather than the rule. Employers also recognized that the low road to profitability - paying low wages, engaging in wage and hour violations, and cutting corners on health and safety - is the path more often followed in the Washington, DC restaurant industry. While there are surely some “bad” employers who operate only for their own profit, at the expense of their workers, what appears to be more common is
that employers espouse supportive workplace policies in theory but do not implement them in practice. This disconnect can be largely attributed to lack of good management, absence of public policy amenable to good employment practices in the industry, and ineffective employment law enforcement mechanisms. Additionally, employers would clearly benefit from better guidance from the industry as a whole, including more education regarding their legal obligations, and enforcement of these laws. Although the workers are the ones who lose out in the short term as a result of low-road workplace practices, interviews with employers suggest that the industry as a whole loses out in the long run.

B. External Factors Affecting Workplace Practices

In order to better understand the tensions and contradictions in the restaurant industry affecting employers and workers alike, it is important to consider some of the most salient external pressures on restaurant businesses in the local context. Employers we interviewed referred to a number of factors that impact their business practices, such as customer demand for healthy food, stiff competition, a rising “foodies” culture, and the economic crisis.

Employers expressed concern about the effects of the economic crisis but generally recognized that their own businesses were not doing badly and that the Washington, DC restaurant industry was not hit by the crisis as badly as other sectors were. One manager in a casual dining restaurant with 8 years of experience told us, “the downturn in the economy has obviously affected everyone. But I think DC is better off than a lot of other places, and Chinatown especially continues to do fairly well.” Other restaurants had similar things to say about the crisis. A fine dining restaurant general manager with ten years industry experience said, “I think in 2007 and 2008, like a lot of small businesses, we were concerned with the recession and how that was going to affect people’s disposable income, and… you know I think DC turned out to be… at least in this neighborhood and some other neighborhoods, more recession proof than other areas of the country. So we didn’t notice as much of a cutback in people’s spending as I think other areas may have.”

We found that restaurant employers reacted in a number of ways to weather the crisis, including lowering prices and creating deals to accommodate budgets as well as downgrading the formality of restaurants to create a more casual setting. One general manager in casual dining with 14 years experience told us, “The economy has made things harder for people the past few years obviously, and with respect to that they’ve gotten a little bit stingier with their money. They want more for their buck. They also want the full experience for as little money as possible.” Employers also explained the quick-serve segment was benefitting from the crisis. One quick-serve general manager with 10 years experience told us, “Well I think when the economy slowed, people didn’t go to the high end stores as much. [However] there would be a jump in sales in the quick service restaurants, and casual you know?” By reacting to customer demand for greater value, employers were able to mitigate the effects of the crisis. Similarly, a general manager of a quick-serve restaurant with eight years industry experience stated, “As far as money, people are flocking to the lower priced faster places because the economy is down.”

Restaurant employers also responded to the crisis by catering to consumer demand for healthier and more environmentally friendly food. A quick-serve manager with 16 years experience said, “Even though other restaurants are struggling our business is increasing because we serve salads. We aren’t the cheapest place to get lunch but everyone buys lunch – especially in this area – and they want the healthy food.” A general manager of a casual fine dining restaurant also talked about a trend towards more organic fare, “I think that the biggest one now is a movement towards locally produced ingredients. More organic, more sustainable products. I think that is a really big movement in the restaurant business.”

Employers also remarked on recent changes in the labor pool. Many employers observed a glut in labor supply during the crisis with many applicants having much higher education credentials than normal. However, many employers remarked that despite the spike in job applicants, there is a dearth of job seekers with the requisite skills for fine dining. One fine dining restaurant employer said, “The labor pool is more difficult now because there are so many restaurants. Even though a lot of people are out of work, in a high-end restaurant it is harder to find high-end workers.” Other employers had similar difficulties finding skilled workers. A general manager of a fine dining restaurant with 20 years industry experience described the situation: “Since the economy has gone down especially, the pool for
people looking for jobs has grown but skill people have not... I think many people are lacking the necessary skills.”

Our research on Washington, DC restaurant employer perspectives strongly indicates a need for more job training to better utilize the current labor surplus in the industry.

“I think directly, it takes longer to fill open positions. You know, we hear a lot on the news about un-
employment and we know unemployment is high in DC, but the number of qualified applicants that I get for each position that is open seems to be less... as opposed to people who are just out of work and looking for any kind of job.” - General Manager, 10 years in the industry, casual fine dining

“I don’t think the labor pool has kept up with the amount of restaurants that are in the market now so it can be difficult to find skilled people for the positions. There is no shortage of people applying but identifying people who are skilled and qualified for the position take a little bit more work than maybe 5 years ago.” - General Manager, 10 years in the industry, Casual Fine Dining

These observations of DC restaurant employers reflect national trends that show that despite the crisis, the restaurant industry has not been hit as hard as other sectors and in fact has shown long-term robust growth. During the economic crisis, DC restaurant employment actually increased by 3.5% while the total private sector shed 1.7% of jobs. And, while most other sectors continue to decline or lag in employment recovery, the restaurant industry continues to grow. Moreover, as shown in Figure 1 (chapter II), the long-term trend for the DC restaurant industry has been one of steep growth, with the size of the restaurant workforce increasing from 6.42% of private sector employment in 1999 to 7.81% in 2009. Figure 4 shows that in the decade between 1998 and 2008, the number of restaurant establishments grew from 1,561 to 2,019.


Overall, despite the challenges that the economic crisis presented to Washington, DC restaurants, the industry continues to progress. There is little reason to believe that the economic crisis is a viable reason to avoid addressing the challenges restaurant workers face in the industry. Indeed employers themselves repeatedly expressed their concerns regarding low wages and poor working conditions in the industry (discussed in this chapter section D), and the ways in which these conditions hurt the business in the long run. In the next sections, employers’ perspectives will be discussed regarding two contradicting pressures: 1) the need to increase worker productivity and decrease turnover in the long run by treating and paying workers well; and 2) the imperatives to decrease employee wages and benefits to protect the bottom line in the short run.
C. Strategies for Profit

To deal with many of the external pressures outlined above, employers generally agree that one of the most important elements of maintaining a profit is human capital. In fact, most employers in our sample agreed that reducing employee turnover and increasing employee productivity were both critical to maintaining long-term profitability and a sustainable business model.

MINIMIZING TURNOVER

“The idea is to attract and retain workers. We do what it takes to keep good people here.” - Chief Financial Officer and Chief Operating Officer, 6 years in the industry, Fine Dining

“Well I’m doing really well. My turnover is at 39 percent, which is pretty unheard of. [It is usually] about 150.” - General Manager, 8 years in the industry, Quick Serve

“It costs] around $5,000 [to train a new worker]. You look at everything from what you have to pay the trainers to train them, to materials. You have to look at all the other resources you’re using– the time of your chefs, your managers, your resources in terms of wine classes, saki classes, food classes. $5,000.” - Manager, 12 years in the industry, Fine Dining

Establishment of a loyal customer base and personable service was cited by employers as critical to promoting businesses and ensuring consistency in profit. It is therefore not surprising that consistency and quality of staffing is of great importance to the employers with whom we spoke, who told us that keeping staff turnover low was critical to the success of their business. One fine dining general manager with 39 years industry experience told us in a straightforward manner, “I think that by mistreating your workers, you have more turnover and create more problems.” Another casual dining general manager with 14 years industry experience asserted that there is not only added benefit to keeping good employees, but there is also a cost to losing them. He told us “you get a reputation of a place that turns over your staff really fast. It actually, does affect your business. Because people… it’s not like there’s a hole that all the servers and bartenders climb in and out of every day to go to work. You know, they’re part of society; they have friends that are in other circles… they don’t just go away when they’re not behind the bar… they talk to people, they interact with other people, they talk about their work. They start to get reputations.”

This sentiment was shared across restaurant segments. A director of operations at a quick-serve restaurant told us that paying low wages means being stuck with the worst employees. He said, “I’m sure there are people that pay less than they should. I think once again if you have a good person eventually they’re going to find out what somebody else is making or go somewhere else. … [If] you lose your good people first…then you’re stuck with people you didn’t really want to have to begin with. So you have to give good pay.” Many other employers shared this perspective regarding wages and turnover.

“Well if you underpay someone they’re gonna leave so you want to make them feel comfortable and pay them what they’re worth so they stay with you.” - Owner and General Manager, 20 years in the industry, Casual

“I think that you have to take care of the people that take care of your guests. If you’re paying someone a lot less when they know they can go down the street and make more, chances are you’re not going to have that person very long and they are not going to be happy for the time that they are with you” - General Manager, 21 years in the industry, Fine Dining

“Because of the kind of establishment we are, you cannot get away with cutting corners and in the long run it will catch up with you… If you working as a bartender generate a lot of business because of your personality and your friends that you attract here, I am going to make sure that you’re paid well to keep my competition from bringing you to his location. If I underpay you, you can just go next door and take your friends and popularity with you and I lose that business.” - Chief Financial Officer and Chief Operating Officer, 6 years in the industry, Fine Dining
Employee turnover rates in the restaurant industry often exceed 90% per year. Such high levels of turnover impose both direct and indirect costs on businesses. Direct costs include the time and money required to find, hire, and train replacement workers. Indirect costs include decreases in productivity and quality of service caused by understaffing during the time it takes to find replacement workers, and by the inexperience of new workers. Research suggests that dissatisfaction with compensation is a major cause of restaurant employee turnover.

Employers recognized the importance of keeping employees happy in order to decrease employee turnover, thereby fostering a satisfied and loyal customer base. Some of the strategies mentioned by employers as important to promoting good conditions for workers included training, promoting from within, paying sustainable wages and providing other “perks” ranging from workplace benefits to staff outings. In addition, many employers cited the overall importance of creating a good work environment and a sense of family. One quick-serve restaurant General Manager with 10 years industry experience told us that they keep turnover low by “touching base with our employees. A lot of them feel like this is a home environment. Even if we are closed, we are [here] after hours, a lot of them like to sit down and talk and hang out while we are doing our shut down procedures. A home away from home.” A casual fine dining general manager with 10 years industry experience added that giving their employees the opportunity for advancement was another way they keep turnover low, “You know, listening to your employees, trying to provide opportunities for advancement if that’s what they want, regular performance evaluations and raises if they deserve it, just listening to what their concerns are...what their major issues are and do what you can within your policies and your business model to address your employees’ wants and needs.” Another owner in the casual dining sector with 41 years in the industry told us that regular raises were a key strategy for him to retain his workers. Other employers had similar methods of keeping their workers over the long-term.

WORKER PRODUCTIVITY

“I think you get what you pay for... I can be away and sometimes I’ll look at the food count the next day and I am amazed at what they can put out. I mean, when you walk by the kitchen it is about 10 by 15. It is tiny and they put out a phenomenal amount of food sometimes. I mean when we are busy and it is fast. So, it is definitely worth whatever they are getting paid. I think if you are screwing your employees they are going to screw you. They will look for ways to steal from you, or not do a good job or just kind of hang out because you are not paying them well enough.” - Owner and Manager, 41 years in the industry, Casual Dining

“... without the customer service, nothing else is gonna [work], the customers not gonna come back. You know, your food could be good and you have some people come back but you’re not maximizing profit.” - Owner, 9 years in the industry, Quick Serve

Employers reported that worker productivity is critical to running an effective and profitable business. There are differing theories regarding how to best maximize productivity. Some employers believe that training and investing in workers is best. On the other hand, some think that hiring fewer workers to perform several tasks is the most efficient way to move production. Many DC employers we interviewed, however, echoed the belief that investing in workers – in terms of wages, working conditions, training, opportunities for advancement, and more – is the most effective way to keep workers happy and productive.

An owner of a casual dining restaurant with ten years experience argued that the best way to inspire loyalty in a worker who you can then trust with the business is to promote from within the restaurant. He told us, “I was advised by someone I admired to always hire from within and I recognize the value of that. The loyalty is the big thing. You’re trusting them with a lot: the decision-making, the money, and everything. I didn’t have a good experience [hiring from outside], they fit on paper, they just didn’t fit otherwise.” A Manager of a quick-serve restaurant with 16 years industry experience expressed a similar sentiment. He argued that hiring from outside of the restaurant will not result in the dedication and enthusiasm of workers promoted from inside the restaurant, saying, “You’re not going to get someone who will hustle for you and take care of what needs to get done even if it is outside of their job description.”
One owner of a quick-serve establishment with 9 years industry experience emphasized that workers’ wages are directly related to the level of customer service that they provide: “I know you can’t live off the minimum wage, so I think anybody who sticks to that is… It’s gonna go back to the morale and customer service. It’s not gonna be good… or the best. That’s what I mean… it’s not gonna be the best.” Similarly, a manager of a quick-serve restaurant with 16 years industry experience asserted that good, productive workers are essential to running a restaurant business: “You have to have good people. You could be serving the best food in the world, but if you don’t have good people you aren’t going to have a good business.” On the other end of the dining spectrum the manager of a fine dining restaurant with 12 years industry experience essentially agreed with these points. He told us, “Generally it’s much more cost effective to promote from within than have an outside individual come in because they require less training. For instance, if I train a server and then promote them to a manager, they already have the food knowledge, the beverage knowledge, everything like that. That’s already in place. You just have to show them how you want your floor run. Whereas if they come from the outside you have to start from scratch.”

D. Contradictions in Theory and Practice

“Litigation is a big issue for the restaurant industry. It’s one that the National Restaurant Association has worked on for years and always will.” - John Gay, senior vice president of government affairs and public policy for the National Restaurant Association

For many employers, there is a perceived tension between implementing strategies for long-term profit by keeping turnover low, and making unsustainable profits through reduced labor costs that result from offering poor and often illegal working conditions. While there are some employers who are committed to pursuing the high road to long-term profitability – providing workers with decent wages, benefits, and training – these employers are unfairly undercut by those who choose to take the low road to short-term and unsustainable gain. In some cases, this approach is related to management and business skills; in others, it comes down to a lack of enforcement, support, and rewards for promoting good workplace practices. Low-road practices are counter-productive, ultimately having negative impacts on worker productivity, employee turnover, and restaurant profitability.

WAGES AND OVERTIME

“You have a lot of owners being very cheap right now because they know a lot of people are desperate for jobs and they’re taking advantage and they’re hurting… and their shop isn’t performing at max because it’s bad management.” - Owner, 9 years in the industry, Quick Serve

“Poor… I guess that would sum it up, not, not too many good wages out here… that’s why you can go in the restaurant for three months and probably get a different server every time you go, you know, you got people constantly looking for better wages.” - Owner and Manager, 15 years in the industry, Quick Serve

Although many employers expressed an understanding of the importance of paying good wages to keep staff happy and productive, the majority of workers in Washington, DC struggle with low wages, and our research indicates that almost a third suffer from non-payment of overtime wages. Several DC restaurant owners we interviewed recognized the prevalence of low wages in the industry. One fine dining manager with over 25 years experience was angered by the prevalent conditions in the restaurant industry. He asserted that both employers and employees are hurt by this animosity but in the end the employees get the worst of it: “But basically I think personally that employees get screwed by employers all the time, and the employers are unhappy because they feel used and abused. It always trickles down to guys like him (pointing to worker) who take care of your place and work like a dog.”

One quick-serve general manager with 10 years of industry experience told us of many restaurants that are paying their workers below minimum wage. “The minimum wage level has been raised by an additional 25 cents, and for a lot of employees in the areas right now, like cashiers and delivery people, they are getting paid below the minimum wage. We have seen trends in the coffee shops and the cafes, where they are getting paid under what they are supposed to be paid.”
Most employers reported that their own restaurants were in compliance with employment laws, but that wage theft is widespread in the restaurant industry. Many employers we interviewed even sympathized with restaurant workers suffering wage theft as they had been in the same position having been restaurant workers themselves. Others we interviewed told us that in many restaurants, management illegally takes a portion of the tip pool, fails to pay time-and-a-half for overtime, and even fails to pay the workers for all of the hours they worked. Many restaurant employers we interviewed emphasized the importance of treating their workers well as a necessary first step to reaching profitability following the high road, but the prevalence of wage theft shows that good intentions are not enough. Many employers not only need more education regarding employment law, but they also need education regarding proper restaurant employment practices that lead to long-term profitability.

Many employers empathize with workers based on their own experiences in the industry. A number of employers spent years witnessing the injustices of workers living off of poverty wages. One general manager of a casual dining restaurant with 14 years of industry experience told us how his experience in the industry helps him handle workers’ problems better. However, he felt that a lot of upper management tends to forget their time as a worker. “Maybe I was a little different but I put myself between [the workers] and upper management because frankly in our type of thing where… it’s a company that owns several restaurants… I mean upper management. I mean there is nobody above me in our particular shop, but at the corporation level there definitely was. And the garbage that would come from them, even though they all worked in the same industry… but people tend to forget when they’re not on the front lines,” he told us.

A quick-serve restaurant owner with 9 years in the industry was disgusted with the thought of someone having to live off of low wages because he had done it himself: “I think it’s ridiculous. I know you can’t live off [minimum wage]. So I would never even consider it. When I started working in 2001 I started off at 7 dollars. I probably made the move, the switch to 8 dollars when I got my first shop in 2006. No no, before then I definitely moved it up… 2001… so I would say about 2004, 2005 I moved it up to about 10 dollars. I started off making about 8 dollars from my parents, and that stayed for like, 3 years. I couldn’t believe those m*@f’s [chuckle]. So I could be really tough because, you know, like I said they just threw me in there and were real tough on me. They gave me no money, no nothing.” One fine dining manager with over 25 years experience who immigrated from Europe remains shocked at the tipped minimum wage in America: “Wages are the same. It’s not ten cents or twenty cents that they’ve added to the minimum wage! When I came to the United States in 1999 the wage of the waiter was $2.25 or $2.50. Nowadays its $2.75…I could have been a waiter…. Wahoooooo [sarcastically celebrating].”

However, two employers told us they were violating overtime laws themselves. A director of operations in the quick-serve sector with 20 years experience told us, “I can’t afford [overtime]. If they do work more than forty hours per week they’re not getting overtime. I pay them for whatever. I’m just not set up that way.” One general manager and owner in the casual dining sector with 15 years experience told us, “We actually don’t pay overtime, we kind of help people who want extra hours. But they don’t have to because nobody’s around.” However apparently well-intentioned, these employers are violating the law. Whether the hours are explicitly scheduled or not, it is illegal not to pay one-and-a-half times the normal hourly wage when workers work more than 40 hours in one week. Moreover, overtime laws are put in place to protect workers as a class. If an employer decides to regularly have one worker work excessive hours at the same rate rather than hire an extra worker, it leads to downward pressure on wages for all workers.

“On the high road, companies compete not by paying the lowest wages but by offering the highest quality and value and innovation.” – John J. Sweeney, Former President AFL-CIO and President of the AFL-CIO Working for America Institute’s Board of Directors}
BENEFITS

While acknowledging the importance of providing employee benefits, restaurant employers, with the exception of chain/franchise establishments, also overwhelmingly reported that they were unable to provide health insurance benefits to their employees. Many employers cited prohibitive costs and lack of administrative capability as the most significant obstacles to offering benefit packages. When asked if they would be interested in providing health insurance to their employees if it were more affordable, every employer we interviewed responded positively. Many employers also emphasized the importance of health insurance. An owner of a casual dining restaurant with ten years industry experience told us, “I’m embarrassed but I don’t even have [health insurance] for myself at this point. I know I need it and I know I’m pushing it, but it got tough over the winter and something had to give, and that gave.” A general manager of a casual fine dining restaurant with ten years industry experience expressed his desire to offer health insurance at his restaurant. “I have [health insurance] because I’m a manager... all managers have healthcare. I think it would be great to offer to the employees.”

Multiple-restaurant owners and restaurant chains are often able to provide worker health benefits because they are able to negotiate good rates based on volume, while small, single-location businesses simply do not have the institutional bargaining power to negotiate rates down. Chains and franchises had the most standardized policies and practices with regards to benefits, including sick and vacation days. Few other employers reported offering these benefits.

TRAINING & PROMOTIONS

Our research indicates a lack of mobility in restaurants, partly due to workers’ lack of access to training and opportunities for advancement. While some employers that we interviewed did not place any particular importance on training, other employers were very explicit that training, and particularly cross-training between positions, was an important part of their restaurants’ success. Employers argued that training workers in multiple positions is well worth the investment because it allows for greater morale and a more efficient and robust staff. Moreover, training restaurant workers is important not only for health and safety reasons but also for enhancing worker productivity. Training is also an investment in workers as a means to promote mobility and longevity in the workforce. The benefits of making such an investment include a well-trained staff, low turnover rates, and ultimately lower costs over the long run. Despite their theoretical support of investments in worker training, many employers indicated that practice fell short of theory. When asked the percentage of workers that move up in position in their restaurant, a fine dining bar manager with 15 years industry experience simply said, “Low... very low.” The same question posed to an owner-manager of a casual dining restaurant with 41 years industry experience responded, “Very little. The only movement is from waiting to bartending.”

E. Conclusion: The High Road is Possible

“Right now we offer paid time off, vacation time—depending on the amount of time you’ve worked for the company. So employees who have been here for a year get one week, three years gets two weeks, five years are eligible for three weeks paid vacation.” - General Manager, 10 years in the industry, Casual Fine Dining

Some employers reported that low-road practices implemented by their competitors, such as minimum wage and overtime violations, had the effect of undercutting them. High-road employers lose business to those pursuing the low road as the latter benefit from unfair competition by violating the rights of workers. This ultimately damages the industry as a whole and the public at large by pushing industry wages down even further, harming the very workers on whom their profitability depends, and spawning the proliferation of low-road practices across the industry. The end result, as further explored in Chapter VI: The Social Cost of Low Wage Jobs, is an increase in “hidden costs” to the public.
Clearly, employers would benefit from greater awareness of their obligations towards their workers and of the value of implementing “pro-worker” practices, as well as more guidance in employing better business strategies. Further study in this area is also needed, particularly regarding the impact of low-road practices on the proliferation of low-wage jobs and on employers pursuing the high road. Further empirical investigations could provide insights towards solutions to these problems and could help the restaurant industry realize its full potential as a source of revenue and of much needed employment in Washington, DC.

Despite the prevalence of low-road employers, interviews with employers indicated that there are restaurants taking the high road to profitability, which is consistent with our research showing that some restaurant workers earn a livable wage and receive benefits (see chapter III). A quick-serve restaurant manager with 16 years industry experience described his practices around training and promotion from within: “I really like this company because they almost always promote from within. A new cash register worker receives about 3 days of training – during which time they observe a trained teammate… New choppers or assemblers are trained for about 5 days… If a worker wants to be promoted they just have to show initiative.” Another example of high-road practices in relation to training and promoting from within were found with a fine dining restaurant manager with 24 years industry experience: “Hosts get on the job training. They are paired with a more experienced host and work with that person for five shifts until you get the hang of it. Their [pay] rate does not change for that shift. Bussers are paired with someone who has been with the company for a while. Bartenders seldom come in from the outside – we try to promote from within – they have a much longer training period.”

Great examples of employee benefits could also be found. A quick-serve general manager with ten years industry experience told us about the benefits offered at his restaurant, “Yes we do [offer benefits]. They do have a 401k, stock options, and they even have tuition reimbursement program as well.” The chief financial officer of a fine dining restaurant with six years industry experience told us that they offer health insurance to all employees, “Healthcare is provided for all employees, healthcare plus dental is provided to full-time employees.”
Michelle Brown, Part-Owner & Manager of Teaism

Growing up in Washington, DC, Maya Paley started restaurant work at age 17 as a hostess in a family style chain restaurant and Michelle Brown, a 35 year veteran of the restaurant industry, is part owner of Teaism, a highly successful quick-serve tea house which specializes in an affordable array of pure loose-leaf international tea and a diverse vegan, vegetarian, and gluten free Asian inspired menu. She is also a proud mother to a successful, college-educated 23-year-old daughter, who also works part-time in the restaurant industry. Outside of the restaurant, she craves spontaneity in her life and enjoys cycling in order to stay active and “build strength and power to ride waves of stress in the restaurant industry.”

Brown argues that investing in her workers and ensuring employee satisfaction are fundamental to the success of Teaism. Decreasing turnover is necessary for the success of her business because Teaism’s complex concept necessitates skilled experienced workers to properly execute. Time and training must be invested in workers to attain the skills and product knowledge necessary for the right level of customer service within the concept and Brown must retain those employees to reap the dividends of the investment. “Our concept is complicated and when we bring people in from the outside, the learning curve is really fast and long. They need to develop knowledge of Asian cuisines, not one but many Asian cuisines and depth of knowledge about tea so they can guide people through the tea process. It does take a while.” Extensive cross-training and providing job advancement opportunities are key concepts in minimizing turnover and increasing worker productivity. This emphasis on training and job advancement not only creates a skilled and productive staff but also encourages an environment in which employees are personally invested in the success of the establishment. Brown explains, “For them also it keeps the job more interesting. They feel more grounded in the Teaism concept… Everybody does everything…We move people up through the ranks.”

Brown explains how her own past experiences as a restaurant worker influenced her current training and promotion policies. She describes one of her first restaurant training experiences as “a wonderful training process. They would start you with the purchaser, you’d wake up at 4 in the morning, go to the market, then you go catch the 50 pound sack of potatoes into the prep area, work prep for a while, then work kitchen for a while, then follow the product up to the front of the house. Then you follow the money to the office and see how the whole cycle works. [The training was] my foundation, the basis. I moved from being a hostess to being a manager. I felt pretty well-rounded in understanding all aspects the company.” Brown was trained in all phases of the product cycle and saw how this increased her productivity, the flexibility of the restaurant as a whole, her own personal job satisfaction and her opportunity for upward mobility. Consequently, Teaism employees are provided rigorous training in different positions and comprehensive product knowledge. 9 out of 11 of Teaism’s current managers were promoted from other positions in the restaurant. “At some point as a restaurant manager you learn you can’t do everything. You really have to lift up your employees. The good sign of a good manager is continuously working at replacing yourself.”

Brown considers employees for annual raises, offers bonuses, interest free loans and paid internships for children of employees interested in learning the restaurant business. She also provides 5-7 paid sick days annually to employees. Providing the benefit of paid sick leave decreases the spread of illness to other workers and customers and thus increases the overall productivity and profitability of the restaurant. The employees appreciate these benefits and are loyal and proud to work there, which is demonstrated in Teaism’s high employee retention rate. “We are very proud of our retention rate…[Employees] are proud of their contribution every day and I think that has so much to do with the retention.”

Teaism’s investment in worker satisfaction and productivity has paid off; sales growth in all three locations is up 9% from 2008. She feels that high-road practices can spread to other restaurants in that high-performing exemplary restaurants will set the tone in the industry. “Whatever the model is that’s at the top is the model that will run down through the ranks.” She offers advice for employers interested in adopting these effective high-road policies to start with a focus on employee education and training. “Mak[e] sure that people are trained and knowledgeable…[give] courses, anything you can do to build a foundation.”

After decades in the industry, Brown still gains personal satisfaction from managing an efficiently-run and profitable restaurant. “We’re adrenaline junkies, riding that wave. When the kitchen is humming, it’s like choreography. It’s exquisite and beautiful; it’s twelve hands supporting each other, moving the product.” While these high-road practices might seem complicated and certainly are not the industry standard, her rationale for conducting business this way is pretty simple: “You just don’t feel good otherwise. When I go home every day, I want to feel good about what I’ve done and what I’ve accomplished.”
CHAPTER V
Segregation & Discrimination
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Segregation & Discrimination

Our interviews with both workers and employers show that the experiences of restaurant workers across the industry are not uniform. Further analysis of our data reveals that this is not simply a result of working at different types of restaurants or for different employers with different workplace practices. There is a stark division between the treatment and experiences of the workers with front-of-the-house positions and those who work in the back of the house positions. Additionally, factors such as gender, race, ethnicity, national origin, housing costs and immigration status have a significant impact on the nature and quality of the experiences of restaurant workers.

Our research indicates that:

- Jobs in the restaurant industry are divided between those in the front of the house and those in the back of the house. Earnings, benefits, and workplace conditions differ considerably between the two.

- White and U.S.-born workers are employed primarily in front-of-the-house positions, while the vast majority of immigrant restaurant workers are found in the back of the house. As a result, the impacts of poor working conditions in the back of the house fall disproportionately on workers of color.

- Race appears to be correlated with wages in the restaurant industry.

- A significant number of employers discriminate in hiring and promotion.

- Many workers reported experiencing verbal abuse based on race, gender, language, or sexual orientation. Significant numbers of workers reported being disciplined more often or more severely based on their race, gender, or sexual orientation.

- The informal economy is important to the restaurant industry. According to employers, undocumented workers are found in significant numbers in the industry because they are more likely to work for lower wages and under worse conditions.

- Race and gender inequities in the restaurant industry are reinforced by geographic segregation. The restaurants with the greatest wage-earning potential are concentrated in the wealthy, White neighborhoods whereas quick-serve restaurants are the principal path of restaurant employment in low-income neighborhoods, creating a situation in which workers of color have to overcome the multiple burdens of longer commutes and racial discrimination.
A. Introduction

Our research suggests that occupational segregation and discrimination, both direct and indirect, is prevalent in the DC restaurant industry. Historical discrimination against native-born African Americans is compounded by discrimination against new immigrants from Latin America and Asia. As a result, those with living-wage jobs in the industry are disproportionately White, and those with low-wage jobs are disproportionately immigrants and people of color. Discrimination based on race means that some groups of workers have “good” jobs while the overwhelming majority have “bad” jobs. While the public at large is generally most familiar with direct forms of discrimination, indirect discrimination – which occurs when seemingly neutral policies have a disproportionate impact on a particular group – is more widespread, insidious, and difficult to remedy.

Because workers’ experiences of discrimination were not the primary focus of this study, our surveys and interviews provide only a glimpse into these issues. The DC Restaurant Industry Coalition plans to conduct additional research in this area and strongly encourages both industry and worker analysts and advocates to pay greater attention to these issues.

B. Segregation by Occupational Structure, Industry Segment & Geography in District of Columbia Restaurants

“Those that do the most intense jobs are Hispanic. No one else tolerates that type of work. Everywhere that I have been here is the same, we do the hard and difficult jobs.” - Male, Latino, 8 years in the industry, Barback

“At [restaurant name] at the time I think I was the only Black server there. There was a Black manager there… a Black assistant manager, but the other two managers, the [General Manager] and the [Assistant General Manager] were both White.” - Female, Biracial Black and White, 20 years in the industry, Server and Bartender

Jobs in the restaurant industry fall into one of three categories: front-of-house workers, back-of-house workers, and managerial and supervisory positions. Our research indicates that workers’ positions within this hierarchy determine their earnings, benefits, opportunities for training and advancement, and working conditions (see Table 13) and that race is a strong determinant of position within that hierarchy (see table 14). Despite the fact that front-of-the-house positions do not require more education or credentials than back-of-the-house positions, workers in the front of the house generally earn higher wages and have greater opportunities to increase their earnings through tips. One stark indicator of this disparity is the likelihood of earning a livable wage. While 26.6% of front-of-the-house workers reported a livable wage (at least $21.89 per hour), only 4.3% of back-of-the-house workers did. Conversely, we found a much larger percentage of back-of-the-house workers to be among the working poor. While 15.2% of front-of-the-house workers earned wages below the poverty line, 45.7% of back-of-the-house workers fell into this category. Moreover, as Table 13 shows, back-of-the-house workers are less likely to have health insurance, yet they experience a significantly greater percentage of unsafe working conditions and workplace injuries, such as exposure to toxic chemicals (46.0%), cuts (58.4%) and burns (66.6%).

There are, of course, some differences in wages and work quality among positions within each side of the house. For example, although both occupations would be classified as front-of-the-house positions, compensation and working conditions differ considerably between busser and servers. However, our analysis found the starkest disparities between front and back-of-the-house positions. The median hourly wage reported by front-of-the-house workers was $15.00, while median wages in the back of the house were $9.00 per hour.
TABLE 13: Differences in Job Quality by Restaurant Job Type

<table>
<thead>
<tr>
<th></th>
<th>Front of the House jobs</th>
<th>Back of the House jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wages</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Below Minimum Wage</td>
<td>6.0%</td>
<td>15.2%</td>
</tr>
<tr>
<td>Minimum Wage to Poverty Line</td>
<td>9.2%</td>
<td>30.5%</td>
</tr>
<tr>
<td>Low Wage</td>
<td>58.2%</td>
<td>50.0%</td>
</tr>
<tr>
<td>Livable Wage</td>
<td>26.6%</td>
<td>4.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Workplace Conditions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employer does not provide health insurance</td>
<td>88.4%</td>
<td>89.9%</td>
</tr>
<tr>
<td>Do not have health insurance</td>
<td>42.6%</td>
<td>50.6%</td>
</tr>
<tr>
<td>Do not receive on-going job training needed to be promoted from employer</td>
<td>49.6%</td>
<td>52%</td>
</tr>
<tr>
<td>Unsafely hot in the kitchen</td>
<td>24.1%</td>
<td>32.7%</td>
</tr>
<tr>
<td><strong>Workplace Injuries</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Have been burned while on the job</td>
<td>21.2%</td>
<td>66.6%</td>
</tr>
<tr>
<td>Have been cut while on the job</td>
<td>38.0%</td>
<td>58.4%</td>
</tr>
<tr>
<td>Have come into contact with toxic chemicals</td>
<td>31.9%</td>
<td>46%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

Our survey data also shows high concentrations of White workers in front-of-house positions, and high concentrations of workers of color in back-of-house positions. Table 14 shows that in DC, over three quarters (78.8%) of all White workers surveyed worked in the front of the house, while only a third (34.8%) of workers of color worked in the front of the house. The workers and employers we interviewed gave us their observations of a division of labor that is marked off by both race and gender. A general manager of a fine dining restaurant with 39 years industry experience described the basic breakdown of position by race. “I think in the front it’s essentially White Americans and in the back of the house, Hispanic.” A Latina server with two years in the industry told us of the position breakdown of her restaurant by race and mentioned that management was replacing Black servers with White servers. “The entire kitchen staff is Latino, not a single one isn’t. They bring in a lot of family. The food runners are all Latino too. The back of the house is probably about 65% male. The food runners are all men and all Latino. There are three female bartenders, two White and one Black. All the other bartenders are White men. … When I started most of the wait staff was Black and now I think… they’re intentionally hiring White servers because there’s been such a shift in who they’re hiring. We wonder if they’re trying to change the image of the restaurant. The managers are all White, except the busser manager who’s Latino.”

TABLE 14. Distribution of Job type by White Worker/Worker of Color

<table>
<thead>
<tr>
<th></th>
<th>White</th>
<th>Worker of Color</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front of the House Workers</td>
<td>78.8%</td>
<td>34.8%</td>
</tr>
<tr>
<td>Back of the House Workers</td>
<td>21.2%</td>
<td>65.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

Our findings of discrimination in the restaurant industry are consistent with research in cities across the country. Discrimination exists in service industry occupations that involve high levels of face-to-face interaction with customers. This face-to-face interaction is at the heart of the work that front-of-the-house restaurant workers perform.47
SEGREGATION BY SEGMENT

The restaurant industry has real potential to provide living-wage jobs, particularly in the fine-dining segment of the industry. From our survey data, the most significant difference between the segments was wages paid to hourly workers. The median wage differential reported by workers was more than three dollars per segment. Fine-dining workers averaged $15.00 per hour, while the median for workers in family-style and quick-serve establishments was only $12.00 and $8.50 per hour respectively. Fine-dining restaurant workers surveyed in DC reported earnings as high as $137,200 annually.

Our data indicates that race is a mediating factor in gaining employment in particular segments. For instance, the likelihood of working in the quick-serve segment varies greatly between Whites and people of color. Less than thirteen percent of our White restaurant worker sample worked in quick serve, while 51.2% of workers of color worked in quick serve. The proportions are inverted in the fine dining segment where the potential earnings are greater. Almost forty percent of White respondents were working in fine dining restaurants, whereas only 19.4% of respondents of color worked in fine dining. Moreover, the best-paid positions - bartenders and servers in fine dining restaurants - were disproportionately White. Despite the fact that Whites only made up 17.3% of DC restaurant workers (see Table 2, Chapter II), we found 35.1% of bartenders and servers in fine dining restaurants were White.

C. Geographic Segregation, Housing Costs and Commute Time

Washington, DC is highly racially-segregated and has one of the largest income inequalities in the country. This segregation and inequality is reflected in the restaurant industry. Wards 7 and 8 are the lowest-income areas of the District and the large majority of people living in these wards are African-American. The majority of survey respondents that worked in Wards 7 and 8 were quick-serve workers, the lowest-wage segment. Among all survey respondents who reported living in these wards, only one earned a livable wage, while 54.7% of respondents living in these wards earned below the poverty level. On the other end of the spectrum, Ward 2 is largely White and wealthy, and is home to a higher concentration of restaurants in which there are more opportunities for higher wages. A higher percentage of survey respondents working in Ward 2 (11.8%) reported a livable wage than survey respondents working in Wards 7 and 8 (2.8%), and a smaller percentage reported wages below the poverty line in Ward 2 (36.8%) than in Wards 7 and 8 (41.7%). While wages were generally higher, very few restaurant workers surveyed could afford to live in Ward 2. Of workers surveyed who worked in Ward 2 restaurants, only 13.2% lived there. 10% of workers in Ward 2 restaurants commuted from Wards 7 and 8, 43.3% commuted from the other wards in DC, and 33.5% commuted from outside of the District of Columbia. Sixty seven percent of survey respondents that worked in Wards 7 and 8 also lived in Wards 7 and 8.

Another important factor to consider is that while there are many more living-wage restaurant jobs outside of Wards 7 and 8, our survey data indicates that these jobs are not going to residents of Wards 7 and 8, even when they commute to other wards seeking higher wages. Tables 15 and 16 show that residents of Wards 7 and 8 who commute to work in other wards reported a median wage of $8.50 (the same median wage as all those living in Wards 7 and 8), 66.6% earned below the poverty line and only 1.8% earned a livable wage. This fact indicates that discrimination against residents of this area as well as a lack of proper education and training for workers in Wards 7 and 8 may be significant factors adversely affecting this community. These factors merit further study to better understand the effects of discrimination and geographic segregation in the Washington, DC restaurant industry.

| TABLE 15. Wage data for workers living and working in Ward 2 and Ward 7 and 8 |
|---------------------------------|-----------------|-----------------|-----------------|
| Workers living in Wards 7 & 8   | $8.50           | 1.9%            | 54.7%           |
| Workers employed in Wards 7&8   | $9.00           | 2.8%            | 41.7%           |
| Workers living in Ward 2        | $13.60          | 33.3%           | 37%             |
| Workers employed in Ward 2      | $10.00          | 16.4%           | 36.9%           |

Source: DC Restaurant Industry Coalition survey data
TABLE 16. Proportions of workers living and working in Ward 2 and Ward 7 and 8

<table>
<thead>
<tr>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers working in Ward 7 or 8 who also live in Ward 7 or 8.</td>
</tr>
<tr>
<td>Workers working in Ward 2 who also live in Ward 2.</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition survey data

D. Racial Disparities in Wages & Working Conditions

“When I worked at [restaurant name 1], [restaurant name 2], [restaurant name 3], [restaurant name 4], all those places and [restaurant name 5] primarily everyone who worked in the kitchen was Latino, but not like Spain Spanish. It was mostly all Central American and Mexican workers. The same goes for bussers and runners. In DC those are heavily Latino positions. At [restaurant name 6], because it was an Asian restaurant I think… more of the bussers and runners were Asian. But, they weren't Japanese or anything, they were from Indonesia.” - Female, Biracial Black and White, 20 years in the industry, Server and Bartender

The Washington, DC restaurant industry is segregated by position and segment, as described above, as well as by geography, as described later in this chapter. All of this segregation occurs mainly along racial lines. Not surprisingly, workers of color reported lower median wages and higher rates of employment law violations and lack of access to benefits than White workers. Whites in our survey reported a median wage of $16.24, while the median wage was $9.58 for workers of color. Figure 5 shows the racial makeup of four wage categories. Whites are overrepresented in living-wage jobs while people of color are overrepresented in jobs that provide wages below the poverty line and even more so below the legal minimum wage.

FIGURE 5: Racial Makeup of Wage Categories

- Less Than Minimum Wage
  - white workers: 4%
  - workers of color: 96%
- Below Poverty Line
  - white workers: 17%
  - workers of color: 83%
- Low Wage
  - white workers: 18%
  - workers of color: 82%
- Livable wage
  - white workers: 34%
  - workers of color: 66%
Limitations on Measuring Segregation

Neither government data such as the U.S. Census nor our survey data can completely represent the reality of occupational segregation for restaurant workers by race, for a variety of reasons. One reason that Census data has limitations with regard to immigrant populations is that immigrants are less likely to speak to government surveyors due to language barriers and fear. However, Census data is also limited with regard to non-immigrant low-income populations, which are generally undercounted for a plethora of reasons, including lack of access to telephone and other means of communication, lack of stability of address, and more. Further research into how discrimination based on race, ethnicity, and immigration status affects Latino and African American workers is clearly needed – particularly given that segregation is not obvious to the single worker, and discrimination can be subtle.

E. Discrimination in Hiring and Promotion

“[To be a bartender you] just [need] to be pretty and to have knowledge about the alcohol that you’re serving and people skill. At my restaurant there’s a White female, White male, two White males, two White females. Those are our bartenders.” - Female, Asian, 9 years in the industry, Executive Chef

“Our hosts are female, one White, one Latina. Servers are mostly female, bartenders are mostly male and White… you [used to] have all these typical back of house, Hispanic workers working the bar, which is really really a good thing, but under our current General Manager it doesn’t look like that is the system exactly…any longer, which is a pity.” - Female, White, 7 years in the industry, Server

“Yeah, well basically there was a sous chef. But they didn’t want to promote him to an official sous chef ’cause he was Black. And all the other sous chefs were White. So he left and then it escalated to a lawsuit… [Also] there was one position they would only get Hispanics or Whites for. You can tell who was racist or not. - Male, Black, 23 years in the industry, Prep Cook

In their interviews, workers told us that attractiveness was one of the most important qualities for gaining employment in the better-paying, better-quality front-of-the-house restaurant jobs. Many employers with whom we spoke told us that “personality” and the ability to interface well with clientele were priorities when hiring for positions in the front of the house, but did not deny that attractiveness was also a factor. A general manager of a casual dining restaurant with 14 years industry experience considered it a given that in general, “attractive” individuals are quickly employed in the best position. He made it a point to show us that personality was important enough to him to trump attractiveness. He told us, “Yes, personality is number one. If you’re personable and attractive, yay for me. If you’re just attractive, and not personable, that would prevent me from hiring you. Yeah, I had one girl walk in one time thinking ‘they’re actually gonna hire me here ’cause I’ve checked out their waitresses, and they’re not as attractive as I am.’” It is important to understand though, that measures of attractiveness and racial divisions, conscious or not, are often blurred. For example, a biracial Black and White server and bartender with 20 years industry experience told us, “Some places are really, really sexist about their hiring at the hostess position. Meaning they hire attractive females. Sometimes even further than that, only White females.” Consistent with this worker’s perception that appearance is a key factor in hiring decisions, many job postings on the internet bulletin board Craigslist, a common site for job opportunities, require a photo to be submitted (see below examples).
Conversely, in interviews with restaurant owners and managers across the country, we have found that employers often cite “work ethic” as an important characteristic when hiring for back-of-the-house jobs. Further inquiry revealed that employers’ perceptions of an employee’s work ethic generally related to willingness to work long hours for low wages, perform tasks that others were not willing to, and work under poor working conditions. The fact that back-of-the-house workers are largely workers of color and immigrants suggests that employers’ hiring decisions with respect to back-of-house positions are based, even subconsciously, on racialized perceptions of who possesses a strong work ethic.

A rigorous quantitative and qualitative research study of discrimination in New York City’s restaurant industry indicated that measures of “attractiveness” in restaurant employment include race, height, and weight, all legally prohibited forms of employment discrimination under local law in the District of Columbia under the DC Human Rights Act. As a result, discrimination in hiring for front-of-the-house positions, however unconscious, likely contributes to the racial disparities between those employed in the front of the house and those working in back-of-the-house positions.

Our survey research shows that many workers feel that discrimination is common in promotion practices in the DC restaurant industry. Table 17 shows that 28.6% of survey respondents felt that they had unfairly been passed over for a promotion. Of these respondents, language was the factor most cited for being passed over for promotion followed by race, gender, and immigration status.

**TABLE 17: Barriers to Promotions Reported by Restaurant Workers**

| Reported that in the past 12 months they or a co-worker had been passed over for a promotion | 28.6% |
| Of those who reported being passed over for a promotion… |   |
| Reported that race was a factor | 26.1% |
| Reported that language was a factor | 31.4% |
| Reported that immigration status was a factor | 14.1% |
| Reported that gender was a factor | 15.1% |

Source: DC Restaurant Industry Coalition survey data

When asked about the demographic breakdown of employees in front- and back-of-house positions, several employers responded that they hired those “who applied.” While they were aware that front-of-house workers are predominantly White and back-of-the-house employees are overwhelmingly people of color, they maintained that any
disparities were a result of the fact that Blacks and other people of color primarily apply for back-of-the-house positions. This simple understanding of restaurant segregation is difficult to accept, however, when taking into account the stark disparities in pay between the front of the house and the back of the house. In interviews with workers, however, we found that workers of color were generally aware of which ethnic groups are hired for which positions. While more study is required, this is likely an important factor in understanding racial segregation in the restaurant industry.

Our data indicate that the stark differences in job quality between front-of-house and back-of-house positions are compounded by a general lack of mobility between the two types of positions. In fact, many workers described what was effectively a glass ceiling between the back-of-house and front-of-house positions that was extremely difficult to break through. As a result, once hired in back of house positions, workers are essentially trapped in low-wage jobs.

**F. Verbal Abuse and Discipline Based on Race, Gender, and Sexual Orientation**

"It's definitely not the most professional environment. It's the only environment where swearing that much or that much sexual talk is tolerated. I think when it comes to sexual or racial comments it's allowed, allowed, allowed, allowed until someone gets really pissed off. … It only takes for one day for someone to get push to the limit for it to take, I've had those issues with the more corporate restaurants. The smaller ones you just end up leaving." - Female, African, 13 years in the industry, Bartender

"I've had the manager go on a tirade of jokes against gay people and he didn't know that one of the servers was gay. So I pulled the manager to the side and told him that he was making people uncomfortable." - Female, Latina, 2 years in the industry, Server

Verbal abuse was frequently reported by workers we surveyed (see Table 18). Over a third (36.9%) of workers that suffered verbal abuse believed that the abuse to which they or a co-worker had been subjected was motivated by race. Language, nativity and gender were other major motivations that workers attributed to their being targeted for verbal abuse.

**TABLE 18**

| Reported that in the past 12 months they or a co-worker had been experienced verbal abuse | 32.3% |
| Of those who reported experiencing verbal abuse… | |
| Reported that race was a factor | 36.9% |
| Reported that nativity was a factor | 18.4% |
| Reported that language was a factor | 17.0% |
| Reported that was gender a factor | 19.9% |

Source: DC Restaurant Industry Coalition

Similarly, Table 19 shows that among restaurant employees who believed they or a co-worker had been disciplined more often or more severely than other workers within the past year, the most-cited motivating factor was race (24.4%), followed by language (19.3%), gender (13.6%) and nativity (12.4%).
TABLE 19

<table>
<thead>
<tr>
<th>Responded that in the past 12 months they or a co-worker had been disciplined more often or severely than others</th>
<th>27.7%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Of those who reported frequent or more severe discipline…</td>
<td></td>
</tr>
<tr>
<td>Reported that race was a factor</td>
<td>24.4%</td>
</tr>
<tr>
<td>Reported that language was a factor</td>
<td>19.3%</td>
</tr>
<tr>
<td>Reported that gender was a factor</td>
<td>13.6%</td>
</tr>
<tr>
<td>Reported that nativity was a factor</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition

Many workers we interviewed were very explicit about how issues of race, ethnicity and gender affected their daily work environments. Many workers were angry about racism in the workplace and argued that it either came from the management or was tolerated by the management. One server with 15 years experience in the industry of African-American, Asian and West Indian descent told us about his manager's condescending tone when dealing with Black workers: “he was like..., he’d say something you didn’t [understand] and then he’d say something like ‘it’s cause you [are] Black you didn’t understand it.’” Another Black server with three years industry experience was disturbed by the overall acceptance of what he considered a continuation of a denigrating attitude towards Blacks that was symbolized in a caricatured image of a buffoon-like Black servant: “And because the name is [restaurant name] there is the constant idea of Southern hospitality. But there is this huge picture of a Black waiter with huge lips in the front and I look at my manager to see when this kind of thing is going to stop and they just look at me and shake their heads. And we have a lot of Black workers [and] only about 5 White workers, not including management.”

One Black bartender with 13 years industry experience told us that racism was often coded using other language that was found to be more acceptable on the surface. She argues that jokes would be made using the term 'ghetto,' but she observed that it was simply another way to make belittling and racist comments towards Blacks. She told us that “at the [restaurant name], I remember it was a mix of kids from Maryland and regular folks from DC and there was a couple of us that [were Black]. … We had a problem with a lot of people [coworkers saying] ‘oh it’s a ghetto table’ or ‘that ghetto table’. What makes it ghetto out of curiosity? Because we didn’t see the difference between [the term] ghetto,[and a distinction between] Black and White in these conversations. … And there were managers [saying] ‘oh yea that ghetto a’s’ and it’s just one of those things that make you cringe and [you] deal with it. [One time] I came in. I was running late coming into work. I was putting on my tie and the manager took it upon himself to say ‘what are you doing?’ And I said ‘I should have had my tie on.’ And then out of the blue he said ‘And I would comb that nappy ass hair of yours.’ Eventually, I was just like ‘I can’t, I’m sorry that is just unacceptable. I’m not dealing with that.”

G. Gender Discrimination

“If you trying to work at a restaurant bar it’s an old boys club, I worked my daytime job at [restaurant name] and very much that way as well. You could be cute but there still a perception that you don’t work as hard. You can’t handle the volume or that you can’t restock the barback.” - Female, African, 13 years in the industry, Bartender

“Yeah, I have been sexually harassed on the job and I would imagine it would happen if not by a co-worker then by a customer, definitely! I have worked at places where I have gone and told the manager, oh a customer touched me, and nothing has been done.” - Female, White, 7 years in the industry, Server

“I’ve had managers when I was underage, take me out after shift, and get me drunk and sleep with me.” - Female, White, 7 years in the industry, Server
Over thirteen percent (13.4%) of respondents surveyed reported experiencing or witnessing sexual harassment at their workplace from management (see table 20). This number is unacceptably high. However, both employer and worker interviews indicate that sexual harassment may be underreported and does not speak to other forms of harassment that management may have allowed to continue in the restaurant (e.g. harassment from customers or co-workers) due to negligence and inadequate preventive policies. Workers told us that sexual harassment was common fare in the restaurant industry and many had experienced it personally or witnessed it. A female prep cook with one and a half years in the industry told us, “Sometimes the people you’re working with don’t respect you. I was taking out all the vegetables [from the fridge] to prepare them, and I don’t know who — they shut me in the fridge with another person, who wanted to touch me. They [management] have to be more careful about the kind of people who are working with me.” A server and bartender with twenty years industry experience told us about the sexual harassment in her workplace, “They would come up with innuendos all the time. Basically they were calling me a vagina but like in a Spanish way. They would call me their ‘little camerone’ but I knew what that meant and they told me what it meant. I must have been smacked on the ass a million times.”

<table>
<thead>
<tr>
<th>Table 20: Sexual Harassment Reported by Restaurant Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Responded that in the past 12 months they or a co-worker had experienced sexual harassment</td>
</tr>
<tr>
<td>Of those who reported sexual harassment…</td>
</tr>
<tr>
<td>Reported that gender was a factor</td>
</tr>
<tr>
<td>Reported that sexual orientation was a factor</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition

Workers also commented on expectations to respond to sexual advances in order to be promoted, receive good schedules, or to avoid retaliation. A male server in the industry for 15 years told us that at one of his jobs, managers would place female workers on the most profitable schedules in exchange for sexual involvement. “A lot of the managers was dating staff, ‘if you want me to work a day for you we gotta go out and do something.’” A female bartender with ten years industry experience explained the connection between sexual relations and advancement: “A lot of times getting a position is not about what you know, but who you know… And, actually, to be quite honest, what you are willing to put out… I’ve seen a lot of people get hired due to being in a relationship with someone who had a position.”

The pressure to respond to managers’ sexual advances is only increased by a “glass ceiling” for women in the restaurant industry. Many workers we interviewed spoke about gender discrimination in the industry. A female server with thirteen years industry experience told us that there are barriers to obtaining the manager position. “[Males generally get manager positions because] I think that might come from the owner a little bit. I mean the last time they were looking for a general manager there were females that interviewed, but I just think… they just want it to be a male. And I can understand it because we live in a man’s world… And I’m just being honest, that’s just the world we live in.” A Latina prep cook with four years in the industry told us that women at her workplace are given unfair burdens and not given raises as they should be: “Women have to work more. They’re not fair. If there are two deliveries, they’ll send me or a woman to the farther one, and the man to the closer one. They’re really unfair… I have a friend who’s been working here 10 years, they gave her a $1 raise. She had like 5 years without getting a raise.” Another female server with ten years industry experience observed the gender segregation in the best paid segment, fine dining, but did not know what to attribute it to, “You see Fine Dining, there’s mostly men… I’ve been meaning to look into the history of this. Maybe[they don’t hire as many women] because women are a distraction. I don’t know if it’s sexist or racist or for practical reasons.”

Women of color, who confront the dual challenges of race and gender bias, experience gender discrimination more severely. Female restaurant workers of color reported a median wage of $9.70 per hour, and White women reported a median wage of $15.94—64% higher than the median wage for women of color. This inequity is directly related to the fact that women of color, particularly Black women, are concentrated in the quick-serve segment of the industry, where the median wage is $8.50. While 7.4% of White women worked in quick-serve restaurants, 58.6% of women of color worked in quick serve. Conversely, while 32.6% of White women worked in fine dining restaurants, only
15.8% of women of color worked in fine dining. While we should always consider issues such as sexual harassment that all women in the restaurant industry face, it is paramount that we pay special attention to issues that are specific to women of color.

Additional quantitative and qualitative analysis of women’s experiences in the industry, and particularly those of women of color and immigrant women, is clearly needed. The Restaurant Industry Coalition plans to further examine the role of gender in another study of discrimination in the DC restaurant industry.

Katherine Jimenez

Costa Rican, 26 years old, 2.5 years in the industry, hostess

At age 21 Katherine Jiménez immigrated from Costa Rica to Florida where she married and attended a university before eventually moving to Washington, DC. Now at 26, she currently works as a hostess in a fine dining restaurant. Outside of the restaurant industry, she loves to run, travel, learn languages, and meet people from other cultures. As a woman in the restaurant industry, Jimenez has had to confront patriarchy and exclusion. Jiménez offers a first-hand account of the indirect and direct gender discrimination she experienced from management as a female immigrant worker of a fine-dining restaurant.

Jiménez was hired as a hostess for a fine dining restaurant and she described the gender segregation in hiring practices. “They like young girls to be in the front. [Server and kitchen positions] tends to be male dominated. The positions traditionally for females is greeter, people who take care of the reservations...I know some men who have applied for this position, because they like working with people and doing something other than working in the back of the house or being servers. [Management] would accept the application but not hire the person. There’s no male greeters.” On the other hand servers, one of the highest paid positions in the restaurant, “[of about] 30 servers, three are female; it is very male dominated.”

After accepting the hostess position, she was informed that during the 6-8 hour shift, she “must wear high heels [of] a specific style and height. Your heels must be higher than 2 inches, and they prefer you to wear stilettos with a very thin heel. [In the job description, this detail] wasn’t there.” She addressed with management the discomfort of this uniform requirement and the fact that it is a sexist practice. The manager told her: “I don’t think it’s sexist, because if you were a man you wouldn’t have this job.” This circular reasoning only further confirmed to Jimenez the gender discrimination in the restaurant’s hiring and working conditions.

Gender discrimination was also a part of the promotion opportunities and professional development policies of the restaurant. She requested more training in order to learn more about wine and menu knowledge and in the hopes of being promoted to a server. “I asked [the manager] if I could apply to be a server. Learn more about the food, learn more about wines. He sat down with me and he told me he didn’t see me doing something like that.”

The management practices not only denied her the opportunity of professional development and career advancement, they also kept her from gaining access to union representation. “Everybody is in a union except greeters.” Members of the union receive “higher hourly pay rate that increases every 9 months and access to health benefits. They also have a union representative [in conflict mediation for disputes] making sure that if there are issues that they are resolved in a fair way for the workers. [Union members also receive] special pay during federal holidays.”

Jimenez stated that this experience “made me feel horrible. I don’t think that the fact that I’m a woman is a valid reason [not to be promoted]” She felt unfairly treated and powerless. “If they like the work I’m doing they will tell me, but it’s not rewarded”.

When asked what she believes needs to change in the restaurant industry as a whole, she focuses on workers organizing to build power and solidarity. “I think it’s very important [to have solidarity]. We can relate. I think it’s very important to give other people support. It’s not just you by yourself in this situation that is abusive. It’s good to talk to people to understand.”
H. Disparities in Wages & Working Conditions Based on Nativity & Documentation Status

"I have a friend that is working at a hotel now; they make him clock out even though he is still working not because they can't afford to pay him the hourly, but because he has no visa." - Female, African, 13 years in the industry, Bartender

"Regularly, when I worked at this large club, the owner was terrible, he would get very angry. He had a bad character. He would say, 'Ok guys, speak English next month.' In January, he would say if you don’t speak English by May, you’re fired." - Male, Latino, 8 years in the industry, Barback

Immigrant workers are more vulnerable to exploitation due to language barriers, lack of information about their rights, and fear of detention or deportation. Immigrant restaurant workers in our sample reported higher rates of employment law violations than U.S.-born workers. 21.2% of immigrant workers in our sample reported pay that violated local minimum wage law, higher than the comparable rate for U.S.-born workers (6.0%). Moreover, median wages were significantly different for U.S.-born workers and immigrant workers. U.S.-born workers reported a median wage of $11.09 per hour, while immigrant workers earned a median wage of $9.58.

Table 21 shows that immigrant workers are more likely to suffer health and safety violations at work than U.S.-born workers. Table 22 shows that these disparities become even more pronounced when differentiating by workers’ documentation status. Under these conditions it should be no surprise that undocumented immigrants were more likely to have been burned (55.6% of undocumented workers vs. 45.4% of citizen and documented workers) or cut (57.1% vs. 45.7%).

An owner and manager of a casual dining restaurant with 41 years of industry experience noted the conditions immigrants endure: “I mean in the middle of the summer when that kitchen is 100 degrees it’s a hard job. There are fans in there, exhaust fans and fans in the back, but there is no air conditioning… If you go around and look at the kitchens, you will not see many non-Latinos working in kitchens other than the chef and sous-chef. But when you get to the line, it’s all immigrants, especially in DC.”

Part of the difference in injuries that immigrant and undocumented immigrants suffer is the more dangerous kitchen environment. However, our survey research also showed that immigrants and particularly undocumented immigrants were given instruction or training about workplace safety significantly less often than US-born workers. This fact is directly linked to the higher rate of injuries for immigrants. An African bartender with thirteen years industry experience told us of the pressure and abuse that many immigrants suffer and in this instance can drive them over the edge: “I think that once you add the dynamic between American and non-American and immigrant workers … the chef was just a jerk and he pretty much pushed this [immigrant] kid to the limit. Where he ended up attacking another co-worker because he just lost it… they end up having to arrest [him], he just couldn't take it anymore.”

<table>
<thead>
<tr>
<th>TABLE 21: Immigrant Workers and Health and Safety Violations</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Unsafely hot in the kitchen</td>
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<tr>
<td>Fire hazards in the restaurant</td>
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<tr>
<td>Missing mats on the floor to prevent slipping</td>
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<tr>
<td>Missing guards on cutting machines</td>
</tr>
<tr>
<td>Did not receive instruction or training about workplace safety</td>
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</tbody>
</table>

Source: DC Restaurant Industry Coalition
Chapter V

TABLE 22: Undocumented Immigrant Workers and Health and Safety Violations

<table>
<thead>
<tr>
<th></th>
<th>Non-undocumented</th>
<th>Undocumented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsafely hot in the kitchen</td>
<td>22.4%</td>
<td>66.6%</td>
</tr>
<tr>
<td>Missing mats on the floor to prevent slipping</td>
<td>22.2%</td>
<td>39.4%</td>
</tr>
<tr>
<td>Missing guards on cutting machines</td>
<td>13.3%</td>
<td>23.7%</td>
</tr>
<tr>
<td>Did not receive instruction or training about workplace safety</td>
<td>19.8%</td>
<td>41.8%</td>
</tr>
</tbody>
</table>

Source: DC Restaurant Industry Coalition

Over ten percent of our unweighted survey sample reported not having legal documents to work in the United States. While our survey statistics reveal disproportionately harsh conditions for undocumented workers, these numbers are likely conservative because undocumented workers suffering the worst conditions are likely to underreport due to fear. The worker and employer interviews supplement this data by illustrating that undocumented restaurant workers’ experience in the industry includes conditions of workplace exploitation and constant fear of deportation.

Workers repeatedly told us stories of wage theft, abuse, and harsh exploitation of immigrants, particularly undocumented immigrants. An undocumented Latino barback with 8 years industry experience told us how his employers at one restaurant would find excuses to steal workers’ earnings, including pop quizzes on the names of bartenders with exorbitant fines for missing names. “Every day, when we finished working and were very tired, at five or six in the morning, he would make us have a meeting... And we almost all were Mexicans, I was the only Central American... a complaint about you, you have a hundred dollars you got in tips, you lose it. He would take away your money from tips if you made a mistake. Whatever happened he always had a reason, he would take someone’s tip money every day. It happened to me several times. He would say, for example, I had a big bar with five bartenders, and I had to know all of their names. He would ask me the names, and if I had forgotten a name or I was distracted, whether it was fifty or a hundred dollars, I would lose [all of my tips]. It was very uncomfortable because it was money I had earned and they took it away.” He went on to explain the difficulty of having his tips stolen from him because his family also depends on it, “Sometimes I earn little in hours but the tips are some relevant money... And you know, I have to pay my rent, send money to my mother... So then I told my employer, please give me my money. So then he invented that I had harmed certain things. That is not true. So he said that he was going to discount the value of those things from the money he owed me.”

According to workers and employers, such labor abuses are possible because of language barriers, insecurity as an undocumented immigrant, and lack of knowledge of rights. The director of operations for a quick-serve restaurant with twenty years of experience in the industry told us, “I think employers sometimes take advantage of the uneducated, or people who have a language barrier.” An owner and manager of a casual dining restaurant with 41 years in the industry also told us that immigrants are unfairly taken advantage of. “I think they take advantage of people who can’t defend themselves or like illegal aliens who can’t do anything, they take advantage of them make them work long hours for nothing and threaten to throw them out of the country if they don’t show up.”

It is important to note that the large majority of employers interviewed explicitly supported full amnesty for undocumented immigrants or a more open immigration system in which immigrant workers have more rights. An owner and manager of a casual dining restaurant with 41 years in the industry told us, “Yes, I think there should be some means to help them get citizenship. If they have been here for 5 years and have been working and show that they are working and paying taxes or probably not paying taxes because they are not filing a tax form, but they are paying taxes because it’s coming out of their pay, then yes there should be some means for them to start on that process to citizenship. Another general manager of a casual dining restaurant with 14 years in the industry expressed his opinion that those critical of immigrants are often being hypocritical by taking such a stance, “Well I definitely support a more open immigration policy. I think it’s the funniest thing in the world when you see White people talking about immigration. I just think it’s hilarious because unless you’re red you shouldn’t say a damn word about immigrants. Unless you’re Indian, you have absolutely nothing to say about immigration in this country.”
Mario Henriquez, 22 years in the industry, cook, chef

Mario Henriquez has been a Washington, DC restaurant worker since escaping El Salvador’s civil war in 1988. He has experienced the abuse and exploitation that so many immigrants face in the restaurant industry. “It was very difficult making the transition coming from a country where there was war and coming to a whole new society in the U.S. I was young. I came when I was 18, I was still a student. In El Salvador, my parents didn’t want to take either side of the conflict. When I became of age to travel I escaped because I would have been recruited or engaged in that violence. That’s why I came, I wanted to be able to make a life in an environment that wasn’t hostile.”

Nevertheless, Henriquez came to Washington, DC and found his first work in the kitchen facing a different kind of hostility as an undocumented immigrant. His employer sponsored his visa but at a very high cost. Henriquez “was working 12 hours every day for 6 days straight for $211 a week,” which meant an hourly wage of $2.93 an hour (equivalent of $5.13 in 2010) with no overtime pay for working 72 hours a week. Moreover, on his only day off Henriquez was forced to work at his employer’s home with no compensation. “So in my only day off, my employer would require that I clean up his garden and clean up the leaves. I didn’t have an option and he would not pay me.”

Henriquez tried to negotiate better pay with his employer but had no power given the immigration laws. “I would be given longer and longer hours and when I would ask about better pay, my employer would ask ‘Where’s your papers?’ He basically insinuated, ‘why should I have to pay you more when I’ve already done this favor for you.’” Henriquez says his employer was sponsoring the visas of at least five other immigrants at his work, and imposing the same conditions on each. “Workers that weren’t getting sponsored would get fed up and leave but those of us that were sponsored would have to stay and put up with [the exploitive conditions].” Henriquez observed that at the time, many employers would go through the prolonged visa sponsorship process in order to exploit their workers to a greater degree, “I had a lot of family members and cousins who went through the same. It was very common.”

The time was trying for Henriquez. However, at the time, “we accepted it as normal to experience these things as the price you have to pay coming to this country and working in this industry. It is always difficult.” Now when Mario looks back to that time, with more age and perspective, he is deeply bothered by the situation. “When I think about it, it makes me want to cry.” Henriquez now has three children and a wife who he met in 1991 when he was still struggling with long hours. “It was very difficult at the time because I was working so much but she’s had a lot of patience with me. And it was very difficult for me to share my experiences with her. I’ve never had the courage to tell her what I’ve been through.” Because of his own experience, Henriquez has joined ROC to fight for change in the restaurant industry. “This is precisely why I’m engaged and involved with ROC. Because I think if I had to go through that, think of all the other people that had to go through the same. … People don’t have enough information. They don’t know their rights.”
CHAPTER VI
The Social Cost of Low-Wage Jobs
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There is a cost to consumers and taxpayers of subsidizing low-wage jobs with few benefits and poor working conditions. These costs are significant, ranging from increased public health risks to public subsidies for social safety net programs. Our research shows that when restaurant workers suffer, so do consumers and taxpayers. Some of our key findings are as follows:

- Low-road workplace practices ultimately harm not only workers but also restaurant consumers and the public at large.
- Restaurant employers who violate labor and employment laws are also more likely to violate health and safety standards in the workplace.
- Violations of employment and health and safety laws place consumers at risk and endanger the public health.
- Failure to provide health insurance and paid sick days to restaurant workers can lead many workers to delay seeking primary or preventative medical care, ultimately increasing health care risks to workers and consumers, and contributing to increased health care costs.
- Poor health and safety conditions in restaurant workplaces, combined with low wages and lack of employer-provided health insurance, increase costs of providing emergency care to uninsured individuals at public hospitals, thereby ultimately decreasing the availability of free health care services for those in need.
- Low wages and lack of job security among restaurant workers lead to increased reliance on unemployment insurance and social assistance programs such as welfare and housing and child care subsidies.
A. Introduction

“The proliferation of low-wage jobs has an impact on public budgets and the availability of public services. Those earning minimum wage would qualify for and would need to rely on a number of government programs in order to make ends meet.” – Center on Policy Initiatives

The low-road workplace practices described in this report have impacts beyond those affecting workers employed in the DC restaurant industry. Predictably, they affect the quality of the food we eat when we dine out at an eating establishment in the region. In some cases, they can lead to increased risks to public health. They also have more far-ranging – and more hidden – effects on the local economy, social safety net, and ultimately, the local taxpayer, when unscrupulous employers shift the social costs of low-wage and low-road employment practices to the general public.

Restaurant employers who violate labor and employment laws are also more likely to violate health and safety standards in the workplace. These low-road employers put the safety of the public at risk by overworking their employees, pushing them to cut corners, requiring them to do jobs they have not been trained for, failing to provide basic health and safety training, and creating conditions leading employees to work when they are sick or injured. These pressures on employees all contribute to greater likelihood of food preparation and handling that is substandard and unhygienic. The health and safety of both workers and consumers is compromised as a result.

A further finding of this report is that restaurant workers who are paid lower wages are also less likely to receive workplace benefits such as paid sick leave and employer provided health insurance. Workers who do not have employment-based health coverage and cannot otherwise afford insurance delay accessing medical treatment. This often leads to the development of more serious medical conditions which require more costly medical care. Because restaurant workers’ low wages provide barely enough to survive, they are generally unable to pay for the cost of that medical care, increasing uncompensated costs incurred by public hospitals. Furthermore, when workers are unable to earn enough to support themselves and their families through their jobs, they are forced to rely on public safety net programs to make ends meet. The result is a “hidden cost” of the restaurant industry in the form of indirect public subsidies to employers who insist on paying poverty-level wages to their workers, thus shifting the burden of their low-road business practices to the tax-paying public. These employers, meanwhile, enjoy the illegitimate gain of short-term profits that result from poor working conditions and exploitative employment practices.

B. Endangering Public Health

“Well, to my knowledge most of them have been coming to work [sick] because of personal choice, [they] don’t want to lose our money.” - Female, East Asian, 20 years in the industry, Server

“I’m unaware [of sick time]… I go to work even when I’m sick. Yes [calling in sick would affect your job security]. Because you’d be scrutinized in different ways.” - Male, Latino, 13 years in the industry, Server

Our research findings indicate that the low-road workplace practices prevalent in the Washington, DC restaurant industry can increase public health risks to consumers. For instance, nearly two-thirds of workers (59.0%) with whom we spoke in the course of our study reported preparing, cooking, and serving food while sick. Seventy-nine percent (79.4%) of workers surveyed reported that they did not receive paid sick days. Several workers reported needing to work while sick because they could either not afford to take the day off, their employer pressured them to be there, or a combination of both. A server and bartender with twenty years industry experience told us, “We all go to work when we’re sick because we can’t afford to miss work to begin with, but also because it feels like a lot of time that your employer doesn’t give two s**ts if you’re sick or not. They want you there because you are a body that fills a position.”

During the outbreak of the H1N1 “Swine Flu” epidemic in early 2009, the President and Surgeon General both urged people to stay home as the best way of minimizing the spread of the flu. However, since nearly all food service workers lack paid sick days and earn low wages, staying home when sick is not feasible for most food service workers,
who instead report to work, handle and serve food, and come into close contact with the public. The responses given in worker interviews consistently showed the existence of this risk to the public. For example, a server with three years experience said, "Unless you can find someone to cover for you, you have to work. I try and wash my hands and not sneeze on the customers, but when you're sick you're sick." Thus, a lack of paid sick days and preventative health care contribute to the risk of the widespread illness among both restaurant workers and the public they serve.

Paid Sick Days Law in Washington, DC:

In 2008, Washington, DC was the second city in the country to pass paid sick days legislation that mandates employers to compensate workers for wages when they need to stay at home sick. However, tipped workers, along with students, independent contractors and health care workers who receive premium pay were left out of the legislation at the last minute. Cutting out tipped workers means that the legislation does not remedy the public health risk of the large majority of restaurants that do not offer paid sick leave.53

Employers who force restaurant workers to work while sick are contributing to a public health challenge. The U.S. Centers for Disease Control and Prevention (CDC) in Atlanta estimates that noroviruses, a family of pathogens associated with outbreaks of food borne illnesses, are common in restaurants. In 2006, the most recent year for which data are available, there were 1,270 reported outbreaks of food borne disease across the country involving 27,634 cases and 11 deaths. Among the 624 outbreaks that have confirmed etiologies, norovirus was the most common cause. The CDC also found restaurants to be the third highest outbreak setting behind cruise ships and long-term care facilities.54

"If an employee stays home sick, it's not only the best thing for that employee's health, but also his co-workers and the productivity of the company." – Commerce Secretary Gary Locke55

C. WORKPLACE PRACTICES AND CONSUMER RISK

“You were not allowed to eat. They be like oh you have to work the closing lunch shift, you have five minutes to eat downstairs and come back up… it was definitely a slave show there.” – Female, African, 13 years in the industry, Bartender

“Even [though] I’ve not worked as a cook, I have seen and read about these things. Some of these could make people sick, maybe die. I’ve seen things, but that is the same everywhere.” – Male, Latino, 8 years in the industry, Barback

“Sometimes we can’t even drink water, because there’s so much work. There’s no break where they give you food.” – Female, Latina, 1.5 years in the industry, Prep Cook

Almost a fifth (19.6%) of workers surveyed had done something as a result of time pressure that might have put the health and safety of a customer at risk. Employers pursuing a low-road business strategy place enormous pressure on workers, and often cut corners on health and safety training. These low-road strategies lead to workplace practices that endanger employee and food safety, and consequently the public health. As demonstrated by Figure 6, workers who reported employment law violations at their place of work were also much more likely to report workplace practices such as failure to provide health and safety training, being required to work when the restaurant is understaffed or perform several jobs at once, and being asked to perform a job for which they are not trained.

This combination of unsafe workplace conditions could have harmful effects on the health and safety of customers. Workers who reported experiencing employment law violations were more likely to have cut corners due to time pressure that put consumers’ health at risk. Whereas 19.6% of the whole survey sample reported having to cut corners due to time pressure in ways that endangered the consumer, 20.2% of those who experienced any employment law violation reported these conditions. In fact, 24.2% of those who had not been paid for all of their hours worked
reported having to cut corners due to time pressure in ways that might harm consumer health and safety. There is a strong link between healthy and safe working conditions for restaurant workers, and restaurant workers’ ability to carefully prepare and serve food to the public in a manner that ensures consumer food safety. A prep cook with a year and a half industry experience told us of the many labor abuses and connected it with the infestation of rats in the restaurant. “Also, recently there was an infestation of rats. One of the female workers said maybe if the employees had food and a break to eat, there wouldn’t have been an infestation. ... The owner said, better to feed dogs than employees.” She ironically told us that by throwing the extra food to the dogs instead of feeding and caring for his employees, the owner invited a rat infestation in the restaurant.

A 2008 study by Barry-Eaton District Health Department (BEDHD) in Michigan published in the Journal of American Medical Association investigated the source and agent of infection to determine the scope of illness among patrons and employees at a national chain restaurant. The BEDHD environmental assessment of the restaurant identified deficiencies with employee hand-washing practices, cleaning and sanitizing of food and nonfood contact surfaces, temperature monitoring and maintenance of potentially hazardous food, and maintenance of hand-sink stations for easy accessibility and proper use. As a result of a lack of health and safety training in cleaning up the incident (the restaurant had used a ammonium-based sanitizer that was ineffective against norovirus), a total of 95 people had gotten sick (an attack rate of 33.7%) and 64 people experienced a norovirus transmission (an attack rate of 13.5%). Unfortunately, transmission continued through the next day. BEDHD intervened and mandated that (1) all food prepared during the dates of attack be discarded; (2) all ill employees were excluded from working for at least 72 hours after their symptoms had subsided; and (3) the facility was cleaned extensively with disinfect according to MDCH and Michigan Department of Agriculture guidelines for environmental cleaning and disinfection of norovirus.57
Woong Chang, server/bartender

Woong Chang has been in the restaurant industry on and off for the past 8 years and has worked as a server and bartender. Chang was born in Korea and immigrated to California when he was 13 years old. He attended college at University of California at Berkeley and has worked as a certified master carpenter as well as in real estate investment. He currently works as a bartender at a contemporary French fine dining restaurant. Chang told us he returned to the restaurant industry because it allows him the opportunity and flexibility to cater to his “three passions in life: food, music, and travel. As long as I’m doing one of those three, hopefully more than one at a time I will always be happy.” Despite his love for restaurant work, Chang has experienced the difficulties of working in a low wage industry where paid sick days are not afforded to workers.

Chang moved to DC after a period of traveling abroad. He quickly found an apartment and optimistically began his search for a bartending job in the area. He described his surprise that despite his education and past restaurant experience the job market was very competitive and the wages offered were extremely low. “It was hard to find a job. In California, I was getting paid $11 an hour and I kept all my tips. … I was going around looking for a job, dropping off resumes. When employers asked what I expected to make, I told them $11 an hour plus tips’. They straight up laughed in my face... so I asked them what is the hourly wage here, they said ‘$2.77’. Then I laughed, I thought it was a joke. ‘No it is $2.77’ [they said]. The reality sank in.” Unfortunately, Chang’s story is typical of the daily hardship restaurant workers face while attempting to earn a living and pay rent with an undependable income based on tips and a low hourly wage.

With rent to pay, he was forced to accept a low-paying bartending position. His difficulties continued when shortly after beginning the job, he acquired the highly contagious string of H1N1 virus. “I got sick. Started out as a simple symptoms of a cold. I worked while I was sick…it started getting to the point I should’ve called out. I was in a tight situation when it came down to money. I just couldn’t afford not to work basically. I kept going to work when I was sick. I should’ve called out. I worked that way 2 or 3 days, then I became way too sick. I became incapacitated, I couldn’t move. Barely breathing. I was sick for about a month and a half.” After recovering, he learned he had lost his position for taking the time to recover from his illness. He was forced to begin his job search all over again. This cycle of low wages, lack of job security, and lack of health care and sick days resulted in lowering his overall morale and put him on the brink of poverty while trying to pay back the accruing debt.

The combination of economic hardship and lack of sick leave and employee health care also resulted in him delaying necessary medical intervention and so he continued to work while sick. Chang very likely spread the illness to co-workers and customers, who in turn went on to spread the illness to others in the community. His story illustrates that these low-road practices are not only causing financial hardships for employees, but are actually resulting in endangering their health and the health of the general public.

Chang’s emotional reaction during this hardship highlights the prevalence of such injustice in the restaurant industry. He explained that at the time he felt conditioned not to expect better treatment and did not feel an immediate reaction. “Maybe it should’ve made me angry. [Because these] low-road practices, these illegal practices [were] the industry norm--being used to it--I didn’t question it. ‘Of course I’m not going to get paid’. Looking back on it, had there had been higher standards for labor practices, had I been afforded minimum wage or paid sick days for even a week would have made things a lot easier financially for me. Now it angers me. Before it didn’t because I didn’t know any better. Knowing that it is possible. It’s basic labor rights that other industries are afforded, yet the biggest private sector [industry] in the world doesn’t have it. That angers me.”

When asked his advice on improving these low-road industry practices, Chang strongly emphasizes that employees need to be aware of their rights and work for reform. “It’s got to be bottom up. There’s got to be more education programs so workers are aware of their rights. If they are being victimized or if employers are in violation.” He also believes high-road practices benefit all parties in the restaurant industry and suggests education for employers as well. “Education on employers themselves being aware of the long term effects of having high-road practices and how they can be beneficial to them. I don’t mean employers should be harmed, I truly believe the higher standards are long term solutions that will come back and benefit the businesses as well as the employees. You can succeed and be profitable even after high-road standard practices that may cost in the short term.”
D. Hidden Costs of Low Wage Jobs

Paying workers wages below the federal poverty line hurts not only workers and their families, but everyone – from the high-road employers who pay higher unemployment insurance premiums to the taxpayers who end up subsidizing poverty-level wages and unsafe working conditions. When workers have trouble making ends meet despite working long hours, they have no choice but to use food banks, housing and child care subsidies, tax rebates for low-income people, and other social benefits. As a result, more public resources must be devoted to these programs – or, more likely in the current economic climate, there are fewer public resources available to all of those in need due to low-wage, low-road jobs.

According to the authors of Wages, Health Benefits, and Workers’ Health, higher-wage workers are more likely than their lower-paid counterparts to have health insurance and health-related benefits, such as paid sick leave, and to use preventative care. Low-wage workers, meanwhile, are much more likely to forego needed health care because of cost and to report problems paying medical bills.

HEALTH CARE COSTS

“It would be great if we could be unionized possibly. Something… something to give us a future because… I’m on a manual level anyway, and like is this sustainable? ... What am I gonna do when I’m 70?” - General Manager, 14 years in the industry, Casual Dining

“Made it a little more expensive... I mean I was able to get health insurance or benefits through other mean [like Medicaid or Medicare]… But with these two jobs none of them offered so I had to buy every-thing myself so it was pretty expensive.” - Male, White, 7 years in the industry, Casual Dining

“I think it would also be great to have healthcare benefits… I’ve gone through so much pain just from this one tooth in my mouth that made many days of my life quite miserable and greatly affected my ca-pacity to work and be happy… If you are unhealthy I just don’t think you can reach your maximum potential as a person.” - Female, Biracial, Black and White, 20 years in the industry, Server and Bartender

Our survey data indicates that fewer restaurant workers earning wages below the poverty level receive health insurance at least partly through their employer than those that earn above the poverty level (4.3% vs. 13.8%). The low-wage workers that are able to access health insurance are often beneficiaries of publicly-subsidized programs. Close to twenty percent of survey respondents earning below the poverty line were receiving health insurance through the DC Health Alliance program, compared to 9.3% of those earning above the poverty line. Workers that were not even paid minimum wage were even more likely to access DC Health Alliance insurance (34.0%). We also found low-wage workers to be more likely to access Medicaid health insurance. Over eight percent of workers earning below the poverty line accessed Medicaid, while only 5.1% of workers earning above the poverty line did.

Workers consistently reported personal stress from fear of getting sick or hurt as well as difficulties of paying out-of-pocket medical costs. A server and bartender with 13 years industry experience told us that she felt guilty because she had to have her son donate a kidney to save her mother because she could not take the risk without having health insurance. “So with my mom and this kidney thing… my son and I are the only ones that share my mom’s blood type... I could’ve done it, but because I didn’t have health benefits or anything, I just didn’t feel you know, secure about doing something like that.” Another worker, a server with three years industry experience, ironically became sick because he was overworked, but was not afforded health insurance at work and had to go through great expense to get better. “Actually I got sick because I was working 80 plus hour... but I couldn’t go to the doctor because I didn’t have health insurance... I’ve gotten major medical [bills] that I’ve paid for myself.”

While many low-wage restaurant workers without access to employer-provided benefits are fortunate enough to access public programs, in general the lowest-paid workers in the restaurant industry are less likely to receive health insurance at all. While the lack of health insurance access is common among all restaurant workers in DC, including those who earn livable wages, survey respondents who earned less than the poverty line were even less likely to have
access. 52.7% of survey respondents with wages below the poverty line did not have health insurance, compared to 47.2% of those earning livable wages. As a result, low-wage workers are less likely to be able to access primary or preventative care for themselves or their families. Data from other studies such as Serving While Sick: High Risks and Low Benefits for the Nation’s Restaurant Workforce suggests that low-wage workers are much more likely to forego needed health care because of the costs involved, and to report problems paying medical bills.

Additionally, workplace injuries among restaurant workers are endemic. Data from this and other studies suggests that restaurant workers are often forced to use expensive hospital emergency room services for a range of work-related injuries such as burns, scalds, and cuts.

When medical care is required, restaurant workers without health insurance are forced to seek treatment in emergency rooms at public hospitals, and are often subjected to the indignities of being unable to pay for the medical services they need. Over seventeen percent of the workers in our survey reported that in the previous 12 months either they or a family member had gone to the emergency room without being able to pay. Seventy-six percent (76.2%) of workers going to the emergency room without being able to pay did not have health insurance. When these realities are compounded by the fact that low-wage workers are also less likely to receive paid sick days, it is clear why restaurant workers often feel compelled to work while sick, increasing the risk of worsening restaurant workers’ health and of putting the public and consumers’ health at risk.

Previous studies have noted that where health care financing relies on employer-provided health insurance, the public suffers a heavy subsidy for sectors – such as the restaurant industry – that largely do not provide health insurance to employees, and pass the costs of workers’ health onto the public. Ultimately, it is other employers, workers, and the public at large who pay for these low-road practices.

SOCIAL PROGRAMS

“[T]he government, not from work.” - Female, Latina, 1.5 years in the industry, Prep Cook

Our survey data also revealed that low-wage restaurant workers are, at times, forced to access social programs such as welfare benefits and housing and childcare subsidies in order to supplement low wages. Over a quarter (26.5%) of all workers surveyed reported accessing social programs at some point to supplement their wages.

Of the respondents who reported receiving public assistance of some kind, 21.9% of these workers accessed food stamps through the federally-funded Supplemental Nutrition Assistance Program (SNAP). At the peak of the recession, the number of Americans receiving food stamps reached 35 million in June 2009, the highest number since the program began in 1962, with an average monthly benefit of $133.12 per person. Restaurant workers were no exception; ironically, many workers who prepare and serve the Washington, DC’s food cannot afford to buy food themselves.

Numerous studies have suggested that employers paying low or poverty-level wages force their employees to rely on social programs to supplement low earnings, and thus force the public to subsidize these low-wage jobs. By creating conditions that force workers to participate in social programs rather than providing essential benefits, employers are, in effect, receiving an indirect public subsidy for engaging in poor, and sometimes illegal, workplace practices. Such practices also have the effect of undermining other employers who do provide benefits, thereby creating disincentives to those who might otherwise take the high road to profitability. Existing literature concludes that this can lead to a downward cycle for wages and benefits across the industry, ultimately resulting in worsening conditions for workers, consumers, and the public.

Clearly, further study is needed to determine the full impact of the prevalence of low-wage jobs in the restaurant industry on social programs in the District of Columbia. What is clear from existing data is that failure to address low wages and the lack of health coverage for thousands of workers in the restaurant industry leads to increased costs to workers, employers pursuing the high road, and the public.
Health Care Coverage and Quality in Washington, DC

Through the public-private HealthCare Alliance, Washington, DC has maintained a relatively low rate of uninsured residents. However, a recent report commissioned by the city found that health care provision has been problematic. Despite the high rate of insurance coverage, 20% of DC residents reported no usual source of care. Children with public coverage are less likely to report having a usual source of care than those with private coverage. More than 25% of adults have high blood pressure, 10% have asthma, and 25% are obese. Additionally, income levels have a substantial impact on insurance coverage despite the public program. The percent of uninsured adults jumps from 15.6% of the total population to 26% of low-income residents of DC.
CHAPTER VII
Conclusions & Public Policy Recommendations
Chapter VII

Conclusions & Public Policy Recommendations

By weaving together industry and government data, existing academic literature on the restaurant industry, and the voices of restaurant workers and employers, we see a clearer and more comprehensive picture of the Washington, DC restaurant industry. The restaurant industry holds enormous promise as a source of income and jobs to the region. It is important as a local, sustainable industry providing employment to workers without formal training, those seeking entry level positions, and immigrant workers.

However, our research confirms that, in practice, the majority of restaurant employers are unable or unwilling to take the high road to profitable and sustainable businesses, creating an industry of “bad” – low-wage, long hour, dangerous and dead-end jobs for most of the industry’s workers. Additionally, the persistence of low-road practices has the effect of compromising the health and safety of both workers and customers alike, and forcing the city’s taxpayers to subsidize restaurant employers through social programs.

Nevertheless, one of the major findings of our research is that it is possible to run a successful restaurant business while paying workers livable wages, affording standard workplace benefits such as health care and paid sick and vacation days, ensuring adequate levels of staffing, providing necessary training, and creating career advancement opportunities. While commitment to doing so on the part of employers is a necessary ingredient to achieve this goal, additional public policy measures are also needed to help restaurant employers provide good, locally based jobs. Government and regulatory agencies should find ways to support and reward employers who take the high road, in order to facilitate a truly successful Washington, DC restaurant industry.

Based on the results of our research, the Washington, DC Restaurant Industry Coalition makes the following specific recommendations:

1. **Level the playing field by providing paid sick days and increasing the tipped minimum wage.** For the benefit of workers, consumers, and employers, policymakers should level the playing field by requiring all employers to provide paid sick days to their all employees, and by increasing the tipped minimum wage. As described in our report, the lack of paid sick days among food service workers can result in public health problems for the entire region. The District’s paid sick days law should be expanded to include tipped workers and employers should be educated on their obligations under the law. The lower minimum wage for restaurant workers compared to other workers results in the proliferation of low-wage jobs as this industry increases in size and importance in Washington, DC. The lack of a level playing field on these issues ultimately hurts workers, consumers, and responsible employers.

2. **Incentivize high-road practices.** Policymakers should consider initiatives and incentives that will assist and encourage employers to pay livable wages and go above and beyond the law. Such initiatives could include streamlining licensing procedures for employers who implement exceptional workplace practices, thereby enabling them to reduce fixed costs and invest more in workers. For example, employers could be incentivized to provide tuition reimbursements to allow employees to attend college. These incentives could also take the form of support of collective health insurance programs, such as the one that ROC has developed nationally, across the industry. Given the high health care and public assistance costs associated with current practices, limited public expenditures in these areas could result in substantial savings to the taxpayer overall. We urge decision-makers to explore and implement such initiatives for the benefit of all residents in Washington, DC.

3. **Promote opportunity, penalize discrimination.** Policy options ensuring greater career mobility for workers of color should be explored, and racial discrimination in the industry addressed. Our research illustrates the impacts of the occupational segregation within the restaurant industry. It is clear from our findings that discrimination based on race, immigration status, and gender act in concert with occupational segregation to keep immigrants, workers of color, and women from higher-paying and more sustainable positions in the restaurant industry. In addition, women suffer from severe sexual harassment on the job. Policy makers should explore initiatives that encourage internal promotion and discourage
discrimination on the basis of race, immigration status, and gender in the restaurant industry. These could include subsidizing customized training programs that help immigrants, workers of color, and women advance to living-wage positions, and educational programs to address sexual harassment in the industry.

4. **Labor, employment and health and safety standards should be strictly enforced.** Workers suffering from egregious violations of labor and health and safety codes must be protected. Laws regarding wages, tips, breaks, and more should be respected by all employers. Not only do federal and District agencies have a responsibility to ensure that these laws are enforced, they also have a responsibility to individual workers whose lives are often threatened by illegal workplace practices. They also have a responsibility to protect the public from the unsanitary conditions and public health risks associated with illegal workplace practices, and to protect law-abiding employers from unfair competition from those that do not comply. The DC Council and agencies should consider policies that protect all stakeholders by considering a restaurant’s compliance with basic employment laws when granting government licenses, such as liquor, health and sanitation, and other business licenses, that are intended by statute for responsible business owners. Elected officials should provide adequate resources to these agencies, and thoroughly oversee their activities.

5. **Promote model employer practices.** Model employers’ practices should be publicized. The vast majority of employers we interviewed agreed in theory that high-road workplace practices were better for both their workers and their businesses, decreasing turnover and improving customer service. Dissemination of model business practices such as those cited in this report could go a long way toward helping the vast majority of well-intentioned restaurant employers to not only do the right thing, but also increase their profitability, and therefore tax revenues from the industry. Training for employers on these practices, including health and safety standards that impact both workers and consumers, should be publicly sponsored.

6. **Respect workers’ right to organize.** Governments, employers, and non-governmental social sector organizations should ensure that policy initiatives foster and support organizing among restaurant workers and publicize the public benefits of unionization in this and other industries. Additionally, creative collective organizing efforts among restaurant workers should be supported through research, funding, and policy. Such efforts foster better wages and working conditions, enable restaurant workers to access health care insurance and other benefits, and facilitate advancement, investment and ownership in the industry. Finally, development and dissemination of “know your rights” training for restaurant workers is clearly necessary.

7. **Support further industry research.** Further study and dialogue is essential. While the results of our research shed much needed light on the realities underlying existing statistical data, they also identify significant gaps in information currently available. There is a need for more detailed information regarding occupational segregation and discrimination and effective remedies to occupational segregation, including overcoming transportation challenges. Additional potential areas for further study identified by our research include: the factors influencing employers’ workplace practices and the needs that must be addressed in order to improve them, and the impacts on health care and public assistance costs created by industry practices. Data and policy initiatives in these areas should be explored with the full participation of restaurant workers, employers, and decision-makers in order to ensure effective and sustainable solutions.
APPENDIX

Survey Demographics

The survey was administered by staff, members, and volunteers from the Restaurant Opportunities Center of Washington, DC (ROC-DC), Georgetown Alternative Spring Break, and DC Jobs With Justice – all academic or community-based organizations with significant contacts among restaurant workers and access to workplaces in the industry. A total of 510 surveys were conducted face-to-face with workers in the vicinity of restaurants during breaks or at the end of shifts, and inside restaurants. Table 23 shows the unweighted characteristics of our survey sample.

<table>
<thead>
<tr>
<th>TABLE 23: Characteristics of Restaurant Industry Coalition Survey Sample</th>
<th>Percent of Sample</th>
<th>Percent of Sample</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race</td>
<td>24.1%</td>
<td>72.9%</td>
</tr>
<tr>
<td>White</td>
<td>44.8%</td>
<td>27.1%</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>19.1%</td>
<td></td>
</tr>
<tr>
<td>Middle Eastern</td>
<td>1.4%</td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td>7.3%</td>
<td></td>
</tr>
<tr>
<td>Native Hawaiian or other Pacific Islander</td>
<td>0.6%</td>
<td>12.7%</td>
</tr>
<tr>
<td>Native American</td>
<td>0.4%</td>
<td>6.7%</td>
</tr>
<tr>
<td>Mixed</td>
<td>2.0%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Other</td>
<td>0.4%</td>
<td>4.3%</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td>3.7%</td>
</tr>
<tr>
<td>Male</td>
<td>49.7%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Female</td>
<td>50.3%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Under 25</td>
<td>43.1%</td>
<td></td>
</tr>
<tr>
<td>26 to 35</td>
<td>37.1%</td>
<td></td>
</tr>
<tr>
<td>36 to 45</td>
<td>13.2%</td>
<td></td>
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<tr>
<td>46 to 55</td>
<td>5.4%</td>
<td></td>
</tr>
<tr>
<td>Over 55</td>
<td>1.2%</td>
<td></td>
</tr>
<tr>
<td>Place of Birth</td>
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<td></td>
</tr>
<tr>
<td>U.S. Born</td>
<td>67.3%</td>
<td></td>
</tr>
<tr>
<td>Foreign Born</td>
<td>32.7%</td>
<td></td>
</tr>
<tr>
<td>Sample Size (number)</td>
<td></td>
<td>510</td>
</tr>
</tbody>
</table>

Source: Washington, DC Restaurant Industry Coalition survey data

NOTES ON SAMPLE:

Because there is no government data source listing individual restaurant workers, it would have been impossible to conduct a strictly random sample of this industry. Thus, we conducted a convenience sample survey, but used stratification to ensure that our sample was as representative as possible of the Washington, DC restaurant industry. We used Bureau of Labor Statistics industry data to identify the size of key restaurant industry segments, and Census data to identify the size of key demographic groups (race, gender, and age), in order to develop sampling goals in each city. Over a pe-
period of 11 months, interviewers then contacted restaurant workers as they left restaurants, or in restaurant uniforms, or simply by asking individuals if they worked in a restaurant. Like all methods, our sampling methodology has strengths and limitations. While ours were not strictly random surveys, the strength of our outreach methodology is that it allowed us to include populations of workers typically underrepresented in the Census. In addition, in-person surveys lead to high question-specific response rates. After fielding the surveys, we weighted the data as a final step to ensure representativeness. Specifically, using data from the Bureau of Labor Statistics, we weighted our sample to match the distribution of “back-of-the-house” and “front-of-the-house” staff in “full-service” establishments and “limited-service” eating places in the nation’s restaurant industry.
Endnotes


4 Estimation uses the 6% sales tax multiplied by total restaurant revenues.


7 Ibid.

8 Ibid

9 The EPI livable wage should be distinguished from the wage of $12.50 that recipients of government contracts must pay according to the DC Living Wage Act of 2006. This wage is not defined by an objective, standard criteria whereas the EPI livable wage does.


11 Ibid


13 Monthly not seasonally adjusted figures were used to compare employment between December 2007 and December 2009. Because seasonally adjusted figures are unavailable, the latest data was not used in order to compare job loss in comparable months. Data taken from Bureau of Labor Statistics, Current Employment Statistics. Accessed 16 September 2010. Available at: www.bls.gov/ces.

14 This report is focused on the first two of these sectors. Within these sectors, we have identified three general sub-segments of the restaurant industry which are presently untracked by government data and which were important in guiding our study and understanding the varying practices and strategies used by individual businesses. They are further outlined in Chapter III: Workers’ Perspectives.


16 The Bureau of Labor Statistics also has an occupational category for the fast food position that involves both back of the house food preparation duties and front of the house serving tasks, i.e., bringing food to the customer. On the BLS list of occupations with the highest predictions of growth, this position occupies fourth place with a projection to increase by almost 15% to over 3,096,000 by 2018. In the ROC worker survey analysis, this position was placed in the Back of the House category because it more closely resembles Back of the House positions in terms of compensation, workplace conditions and other factors mentioned earlier.


18 Estimates for detailed occupations do not sum to the totals because the totals include occupations not shown.
separately. Estimates do not include self-employed workers. Wages for the OES survey include base rate, cost-of-living allowances, guaranteed pay, hazardous-duty pay, incentive pay including commissions and production bonuses, tips, and on-call pay.


20 Earnings from the Bureau of Labor Statistics, Quarterly Census of Employment and Wages are computed from NAICS 722, “Food Services and Drinking Places.”


23 After the data were weighted, the percentage of the sample in each segment was as follows: fine dining 23.8%, family style 32.2%, and quick service 44.0%. See Appendix for other characteristics of the survey sample.

24 The survey sample included workers already employed in the industry, not trainees or workers from other industries who wished to work in the industry. Furthermore, all workers surveyed were employed at the time the survey was conducted.


28 This figure is unweighted.


33 Ibid


35 This figure is calculated multiplying the median wage of restaurant workers by 40 hours a week and 4.34 weeks per month.

36 Ibid.


38 See OSHA regulations regarding enforcement of health and safety standards. Available at: http://www.osha.gov/
39 Ibid.


41 BLS—restaurant industry lost only one quarter of the jobs that most industries did during recession.

data#employment.


45 Minnick, Fred, January 8, 2008. “Litigation woes defy reform: lawsuits that snare businesses in costly, distracting battles continue to emerge despite the industry’s efforts to clear up legal quagmires,” Nations Restaurant News.


50 According to the DC Human Rights Act, there are 19 protected categories, which includes personal appearance. Accessed 18 December 2010. Available at: http://ohr.dc.gov/ohr/cwp/view,a,3,q,491858,ohrNav,%7C30953%7C.asp.


52 Official statements issued by White House and Surgeon General.


57 Ibid.


61 Waddoups, C. Jeffrey, July 2001. Employer Sponsored Health Insurance and Uncompensated Care: An Updated Study of the University Medical Center in Clark County, Center for Community and Labor Research.


65 Ibid.

Washington, DC Restaurant Industry Coalition partners include:

Asian Pacific American Labor Alliance, AFL-CIO
Asian Pacific American Labor Alliance DC
Beyond OSHA Project, Department of Environmental & Occupational Health, The George Washington University
CASA de Maryland
Center for Community Change
Center for Law and Social Policy (CLASP)
DC Employment Justice Center
DC Fiscal Policy Institute
DC Jobs Council
DC Jobs with Justice
DC Language Access Coalition
DC Restaurant Workers
DC Restaurant Owners
George Washington University School of Public Health & Health Services
Jews United for Justice
Kalmanovitz Initiative for Labor and the Working Poor at Georgetown University
Legal Aid Justice Center
Mothers Outreach Network
Partnership for Working Families
Restaurant Opportunities Center of Washington, DC
Restaurant Opportunities Centers United
UNITED WORKERS
Washington Lawyers Committee for Civil Rights and Urban Affairs

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