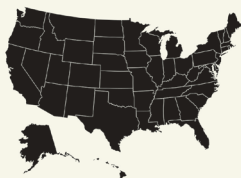


THE STATE OF TIPPED WORKERS IN AMERICA



As of 2015, there are more than 5.3 million tipped workers in America, 62% of whom work in the restaurant industry. While the regular minimum wage is \$7.25/hour, these employees are paid a **subminimum wage as low as \$2.13/hour**. To compensate, they must rely on **tips that fluctuate** based on season, shift, and scheduling practices. As a result, tipped workers earn a **median income of just \$14,596 a year** in states with a subminimum wage.

TIPPED RESTAURANT WORKERS
LIVE IN POVERTY AT
**2.6X RATE OF THE
WORKFORCE**

\$2.13/hr

**MINIMUM WAGE FOR
TIPPED WORKERS**

TIPPED RESTAURANT WORKERS
USE FOOD STAMPS AT
**1.7X THE RATE OF THE
WORKFORCE**

\$14,596/yr

**MEDIAN INCOME FOR
TIPPED WORKERS**

\$96,628,783/MONTH
COST TO TAXPAYERS OF
TIPPED WORKERS USING
MORE FOOD STAMPS



**40% OF TIPPED WORKER
PARENTS HAVE CHILDREN
WHO QUALIFY FOR
FREE LUNCHES**

A significant portion of tipped workers are **adults who are supporting families**. Half of these employees are over the age of 30 – and more than a quarter are 45 or older. About a third are parents and – of those workers – **almost half have children who qualify for free lunch programs**.

**AGE BREAKDOWN FOR
TIPPED WORKERS IN RI**

- 34% ≤ 24
- 25% 25-34
- 16% 35-44
- 25% 45+

31%

**OF TIPPED WORKERS
ARE PARENTS**



Restaurant Opportunities
Centers United

livingofftips.com

66%

**OF TIPPED WORKERS
ARE 25 OR OLDER**

THE STATE OF TIPPED WORKERS IN AMERICA



Replacing the subminimum wage with One Fair Wage of \$12.00/hour would result in **an economic stimulus of more than \$19.4 billion for the U.S. in 2015**. Higher wages reduce turnover among restaurant staff and pour millions of dollars back into the local economy. The seven states that have already eliminated the subminimum wage **have higher per capita sales and higher job growth in the restaurant industry**.

PER CAPITA RESTAURANT SALES
\$174,766 IN ONE FAIR WAGE STATES
\$157,487 IN STATES WITH A SUBMINIMUM WAGE

\$19.4 BILLION ECONOMIC STIMULUS

RESTAURANT SECTOR JOB GROWTH
10.5% IN ONE FAIR WAGE STATES
9% IN STATES WITH A SUBMINIMUM WAGE (PROJECTED FOR 2015)

The vast majority of tipped workers are women, many of whom are mothers providing for their families. Paying these women a subminimum wage is in effect **legislated pay inequity** for a predominately female workforce, perpetuating the gender wage gap.



GENDER WAGE GAP FOR TIPPED WORKERS IN RI
79%

66%

OF TIPPED WORKERS ARE WOMEN



RESTAURANT INDUSTRY ACCOUNTS FOR 7% OF WORKING WOMEN BUT **37% OF SEXUAL HARASSMENT CLAIMS**

36%

OF TIPPED WOMEN WORKERS ARE MOMS

The subminimum wage requires tipped workers to depend heavily on gratuities, forcing them to tolerate harassment to safeguard their income. As a result, tipped workers are significantly more likely to experience sexual harassment. Unsurprisingly, **the restaurant industry is the single largest source of harassment complaints in the US**.



FOR MORE INFORMATION OR TO GET INVOLVED, PLEASE VISIT LIVINGOFFTIPS.COM