

# Behind the Kitchen Door:

The Highs and Lows of Seattle's Booming Restaurant Economy





# Behind the Kitchen Door:

The Highs and Lows of Seattle's  
Booming Restaurant Economy





# Behind the Kitchen Door:

## The Highs and Lows of Seattle's Booming Restaurant Economy

EXECUTIVE SUMMARY	1
<b>I. INTRODUCTION AND METHODOLOGY</b>	<b>5</b>
<b>II. OVERVIEW OF THE SEATTLE RESTAURANT INDUSTRY</b>	<b>7</b>
<b>III. WORKERS' PERSPECTIVES</b>	<b>13</b>
EARNINGS AND BENEFITS	13
EARNINGS	13
TIPPED WORKERS	14
HOUSING	17
BENEFITS	17
SICK LEAVE	18
WORKING CONDITIONS	20
SCHEDULING	20
WAGE THEFT	20
HEALTH AND SAFETY	21
UNFAIR APPLICATION OF DISCIPLINE	22
MOBILITY AND DISCRIMINATION WITHIN THE INDUSTRY	22
OPPORTUNITIES FOR ADVANCEMENT	22
OCCUPATIONAL SEGREGATION	22
DISCRIMINATION IN HIRING, PROMOTION, AND TRAINING	24
<b>IV. CONCLUSION AND POLICY RECOMMENDATIONS</b>	<b>27</b>
APPENDIX	30
ACKNOWLEDGMENTS	31
NOTES	32



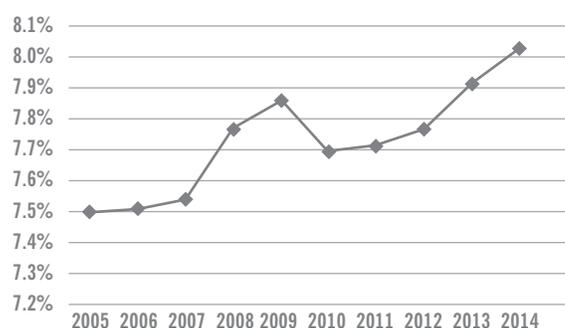
# Executive Summary

**B**ehind the Kitchen Door: *The Highs and Lows of Seattle's Booming Restaurant Economy* is one of the most comprehensive research analyses of the restaurant industry in the Seattle area. The report draws on 524 worker surveys and 15 structured interviews with restaurant workers in King County, along with other industry and government data. Our study was inspired by the need for an analysis of the impact of trail-blazing policies enacted by the City of Seattle to improve earnings and working conditions for low-wage workers, as well as the need to survey the range of other workplace issues critical to the lives of thousands of restaurant workers.

Through examining industry and government data alongside worker surveys and interviews our study demonstrates that while the industry holds great prospects as a result of positive steps taken by legislators and high-road employers, many restaurant jobs in the Seattle area remain low-road jobs characterized by few benefits, low wages, and poor workplace conditions. Our survey instrument captured a range of problems with restaurant working conditions related to the availability of benefits, hiring and promotion practices, workplace discrimination, and job-specific training opportunities.

**FIGURE 1**

## FOOD SERVICES AND DRINKING PLACES JOBS IN SEATTLE AS A PERCENT OF TOTAL PRIVATE SECTOR JOBS



In the last decade, restaurants have grown in importance as a percentage of the Seattle region's economy.

Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2004-2014.

## A VIBRANT AND GROWING INDUSTRY

Seattle is home to a resilient and growing restaurant industry. The industry includes more than 86,000 workers in over 5,400 establishments.<sup>1</sup> Over the last decade, the industry has grown to over 8% of the local economy (see Figure 1),<sup>2</sup> contributing to the region's reputation as a tourism, hospitality, and entertainment destination, and generating over \$4.7 billion in revenue and \$443 million in sales tax for the state and local economy.<sup>3</sup> However, the benefits of this growth have not been equally shared.

## A GROWING PROMISE

Seattle has received much attention for being among the first cities to adopt a \$15 minimum wage, a paid sick leave benefit, and "Ban

the Box” legislation, and has recently adopted wage theft legislation. These steps have made Seattle one of the more attractive cities for workers, including restaurant workers, with some of the highest base wages and basic benefits of any city in the country. However, some of these increases have come with carve-outs for tipped workers, such as the minimum wage increase, or, as we have found, enforcement has been largely lacking, effectively diminishing the reach of these gains. Seattle holds much promise for restaurant workers, but in many instances that promise has been denied. Our key findings include:

### HIGH ROAD

- In the wake of Seattle’s historic \$15 minimum wage victory, full-service restaurant counts in the city are skyrocketing — up 23% since March 2014.<sup>4</sup> We interviewed several high road employers who model successful examples of growth in the new higher-wage market.

### LOW WAGES AND MEAGER BENEFITS

- A significant majority of restaurant workers do not receive workplace benefits such as employer-provided health coverage (87.7%). 28.4% report not having any form of health insurance coverage. 11.4% report having gone to the emergency room without being able to pay in the past year.
- Workers paid lower wages are less likely to have health insurance than higher paid workers.
- Despite promising steps to raise wages for low-wage restaurant workers 42.7% reported earning poverty wages (below the wage required for a full-time, full-year worker to support a family of three as defined by the Department of Labor’s Lower Living Standard Income Level. (See Table 1).

**TABLE 1** MEDIAN WAGES IN SELECT RESTAURANT SEGMENTS BY RACE AND GENDER

Wages in Seattle’s Restaurants: Restaurant worker wages are above the industry average in part due to the progressive wage legislation in the region and the city. However, great wage disparities still exist for workers based on race and gender. In addition, recent wage increases have not been fully implemented for certain categories of tipped workers, in effect reinstating a tipped credit in the Seattle restaurant economy, and workers of color, in general, appear to be left behind.

	Men	Women	White	People of Color	All
All	\$13.40	\$13.12	\$14.12	\$12.12	\$13.22
Fine Dining	\$17.63	\$17.32	\$17.58	\$15.05	\$17.32
Tipped Occupations <i>Full Service</i>	\$14.68	\$14.44	\$15.43	\$13.43	\$14.47
Quick Serve (Fast Food)	\$11.01	\$11.22	\$11.01	\$11.01	\$11.00

The median wage reported by quick serve respondents was the minimum wage of \$11.00. Quick serve wage data not weighted due to sample constraints.

Median Wage by Minimum Wage Implementation Schedule in Seattle

**Schedule 1**

\$11 minimum wage  
\$15.33

**Schedule 2**

\$10 subminimum wage  
\$14.02

## WAGE LAW VIOLATIONS

- Despite laws that require paid sick leave, only 37.4% of restaurant workers in Seattle are aware of the law and 73.5% report that they don't have access to paid sick leave (see Figure 2).
- 20.5% of restaurant workers in the Seattle area report having worked off the clock without pay in the past 12 months.
- 38.8% report that they are not paid 1.5 times the normal wage when they work over 40 hours in violation of federal laws.
- 6% of tipped restaurant workers report that management takes a share of their tips.

## SCHEDULING

- 52.5% of tipped restaurant workers experience daily changes in their schedule, and an additional 23.6% of tipped workers experience changes in their schedule every other week. Tipped workers are effectively expected to be on-call by their employers.

## PROMOTIONS AND TRAINING

- 38.4% of restaurant workers reported that they do not receive regular raises, 43.3% did not move up in position from their last restaurant job to their current one, and 62.8% do not receive ongoing job training.

## HEALTH AND SAFETY HAZARDS

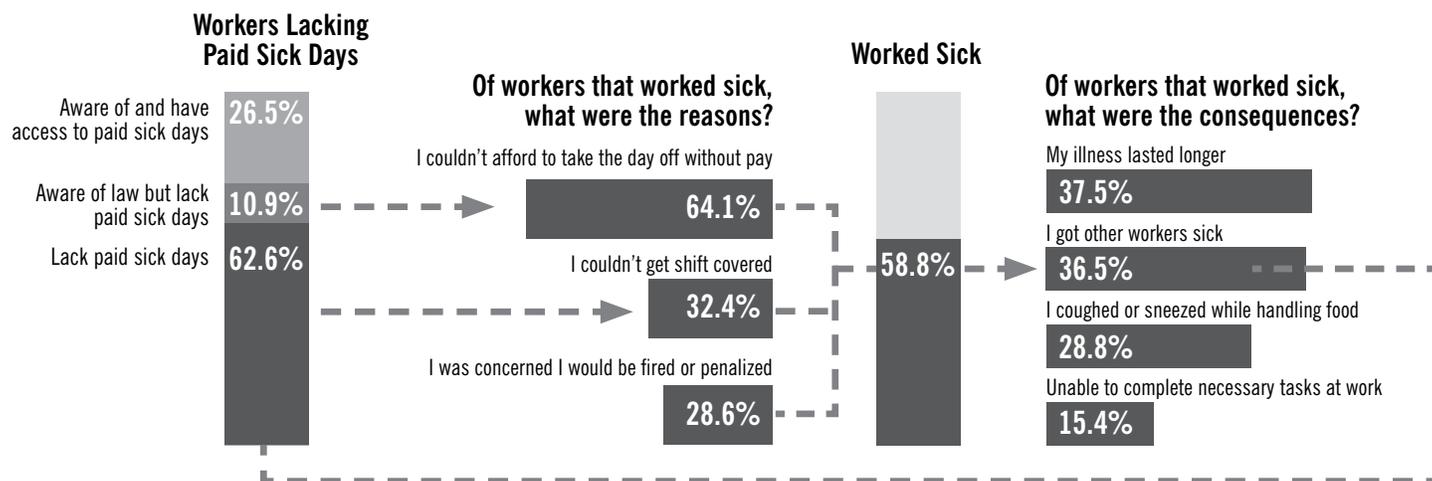
- 88.25% of workers we spoke with have worked when their restaurant was understaffed.
- 20.3% reported have done something that put their own safety at risk.
- 24.1% have done something due to time pressure that might have harmed the health and safety of customers.
- 13.5% of restaurant workers report that their workplace has fire hazards. 40% of Back-of-the-House workers surveyed have been burned while on the job, and 45.4% have been cut on the job.

## OCCUPATIONAL SEGREGATION

- 56.7% of Asian workers, 59.8% of Black workers, and 77.4% of Latino workers worked in the Back of the House, compared to 47.8% of white workers.
- 38% of Front-of-the-House positions are occupied by workers of color, compared to 57.3% of Back-of-the-House positions.
- 60.7% of Black workers, 54.3% of Latino workers, and 52.5% of Asian workers are found in quick serve (fast food) establishments, compared to 40.6% of white workers.
- Women make up 22.6% of fine dining positions, compared to 57.2% of casual full-service restaurant occupations.

**FIGURE 2 ACCESS TO PAID SICK DAYS AND THE CYCLE OF CONTAGION**

Seattle is one of the few cities in the country where all workers are ensured a paid sick leave benefit by law, meaning that if they or a close family member falls ill they can take the day off without fear of retribution or losing a day's wages. In reality the majority of workers are unaware of this benefit, and even fewer are allowed to access it. 73.5% of workers lack access to paid sick days, and 58.8% of these reported working while sick.





# Introduction and Methodology

Seattle has a well-earned reputation as a national leader in implementing progressive policies that improve working conditions for low-wage workers. Through enacting laws that require employers to offer paid leave, setting limits on the way employers can utilize conviction and arrest records in hiring, and raising the minimum wage towards a living wage, Seattle has made tremendous steps towards being a model of high-road employment. With a package of labor standards far in advance of many other cities, the Seattle restaurant industry continues to grow rapidly. However, while some Seattle restaurant workers have access to benefits and livable wages, many continue to earn poverty-level wages that don't keep up with costs for rent in the area. An even greater number of workers have jobs that offer no health insurance, no sick or vacation days, few advancement opportunities, and expose them to unhealthy, unsafe, and at times illegal workplace conditions.

Through integrating 524 in-person worker surveys with interviews and analysis of government data, we have assembled the most comprehensive picture of the state of Seattle's restaurant industry to date. Our research suggests that there are two roads to profitability in the Seattle 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: jobs that offer career advancement, wages that support a family, and a healthy workplace. Taking the low road to profitability, on the other hand, creates low-wage jobs with few benefits, long hours, and little opportunity for advancement. This not only harms workers, but also high-road restaurant employers, consumers, and taxpayers. Low road practices also create negative public health implications such as customers being served food by sick restaurant workers.

Our research reveals that while there have been important steps made towards improving working conditions in the Seattle restaurant industry, major gaps and areas for advancement remain. Many employers continue to take the low road to profitability. Our worker surveys and interviews illustrate the impact this approach has had on people's lives. Our primary research – interviews and surveys with restaurant workers coupled with government and industry statistics, provide the first comprehensive look at working conditions in Seattle's restaurant industry. The result is a unique overview of the characteristics of workers in the industry, their wages, benefits, and working environment.



## 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 refers to those interacting with customers in the front of the restaurant including wait staff, bussers and runners.

Back of the house workers generally refers 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.

## METHODOLOGY

### INTERVIEW METHODOLOGY

In order to obtain a holistic picture of the daily lives of restaurant workers and to gain detailed information about the nature of working conditions, in-depth, open-ended, one-on-one interviews were conducted with 15 workers. An interview guide was used to structure interviews and ensure that all interviews covered the same general topics, but workers were also given the space to discuss issues and lead the conversation in directions that they considered relevant or important. Interviewers were trained in how to use the guide to conduct structured, open-ended interviews. The interviews were recorded and analyzed using Dedoose software.

### SURVEY METHODOLOGY

The survey was administered from October 2013 to August 2015 by staff, members, and volunteers from the Restaurant Opportunities Center of Seattle (ROC – Seattle), a community-based organization with significant contacts among restaurant workers and access to workplaces in the industry. A total of 524 surveys were conducted face-to-face with workers in the city of Seattle and in King County. Unless otherwise specified, Seattle and Seattle area refers to the city and surrounding areas within King County. Seattle Metropolitan region refers to the Seattle-Tacoma-Bellevue Metropolitan Statistical Area. Our sample consisted entirely of workers currently employed in the restaurant industry, with 56% of respondents with four years of experience or more at their current employer, within the Seattle area. We sought to capture a wide range of experiences in each of the three main segments of the industry – fine dining, casual dining, and quick serve. The sample was stratified to ensure that the workers interviewed were as representative as possible by gender, race, age, and segment, with an oversample in fine dining. To add to the rigor of the survey administration, we weighted the data according to proportions of Front and Back-of-the-House workers within full-service and limited-service restaurants to appropriately reflect the actual distribution of positions in the industry. Resulting statistics were analyzed using Stata SE12 statistical data analysis software. Results from this survey refer to the weighted figures unless otherwise stated.

### WAGE METHODOLOGY

Due to annual increases in wages in Washington State, and steeper increases to the minimum wage in the city of Seattle, we normalized wage data across the survey population to 2015 based on year to year percentage increases to base wages according to the increase in the Washington State minimum wage in 2014 and 2015, and an additional increase to the Seattle minimum wage for the survey respondents working in Seattle and surveyed prior to April 1, 2015 with a subminimum wage discount for respondents in tipped occupations, with health insurance, or working in a business with 500 or more employees. Due to the average tenure, fine dining oversample, and wage increases within Seattle, the median wage is higher for our sample than the overall wages recorded by employers in the Seattle-Tacoma-Bellevue Metropolitan Region, yet provides a vivid view of the changes taking place in the Seattle restaurant industry.

# Overview of the Seattle Restaurant Industry

In Seattle, the robust restaurant industry is a source of significant public pride as well as a key driver of success in the local economy. Seattle's restaurant industry has shown consistent growth over the last decade. Between 2004 and 2014, the number of food service and drinking establishments in the Seattle area has increased 27 percent, from 4,300 to 5,474.<sup>5</sup> In 2012, Seattle restaurants generated 4.7 billion in revenue, accounting for an estimated 303 million in sales tax for the state and 140 million for the city.<sup>6</sup> Moreover, the city's restaurant industry has added importance as a key node in the regional tourism and hospitality sectors, attracting visitors and increasing the amount of dollars entering the local economy.

In order to assemble a comprehensive analysis of the issues restaurant workers in the Seattle-area face, we collected 524 worker surveys and conducted 15 in-depth interviews with workers over a 22-month period. This primary research is supplemented with analyses of industry and government data and reviews of existing academic literature. Seattle's growing restaurant industry includes more than 86,000 workers in 5,474 establishments, which contribute to the region's tourism, hospitality, and entertainment sectors. Seattle restaurant workers comprise 8% of the total local private sector employment. Our survey research found that nearly 46% of Seattle restaurant workers are paid an hourly wage that would not support a family of three above the poverty level in Seattle.

## HOW MANY JOBS?

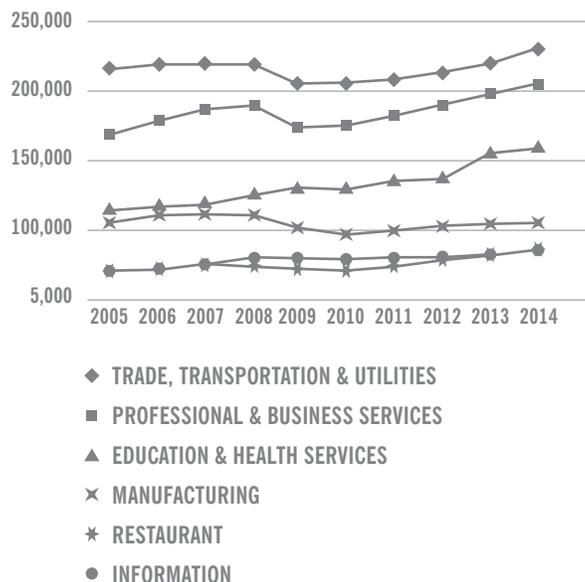
The restaurant industry is the fifth largest private sector employer in Seattle. In 2014, according to the Bureau of Labor Statistics, the Seattle restaurant industry employed 86,757 workers, 8% of all private sector employees.<sup>7</sup>

Since 2005, the Seattle restaurant industry's share of private sector employment has risen from 7.5% to 8% (see Figure 4).<sup>8</sup> While industry employment dipped during the Great Recession in 2009 and 2010, it has since rebounded and continued its growth trajectory.

**FIGURE 3**

### SIX LARGEST PRIVATE SECTOR EMPLOYERS IN SEATTLE

The restaurant industry is the fifth largest private sector employer in the Seattle area.



Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages, 2004-2014.



## RESTAURANT TERMINOLOGY

As shown throughout the report, wages and working conditions vary markedly between position and industry segment.

### SEGMENT

The North American Industry Classification System (NAICS) categorizes the restaurant industry (“Food Services and Drinking Places”) into four segments: full-service restaurants, which have table service where the consumer orders from a menu at a table; limited-service restaurants, which have no table service; special food services, which provide services such as catering; and drinking places, which serve drinks but not food.<sup>9</sup> The restaurant categories used in this report align with the NAICS categories, with the addition of a distinction within full-service between ‘fine dining’ and ‘casual restaurants.’ Distinguishing between these two categories is critical to our analysis because job quality, employer practices, and patterns for ethnic and racial employment and occupational segregation differ across the two segments. The categories used in this report are as follows:

**1 FINE DINING** includes full-service restaurants commonly referred to as “upscale” restaurants. The typical dining tab per person is above \$30.

**2 CASUAL RESTAURANTS**, also described as ‘casual dining’ or ‘family style’ restaurants, are moderately priced full-service restaurants. They include franchise or chain restaurants, such as Olive Garden or Applebee’s, as well as independently owned establishments.

**3 QUICK SERVE**, limited service restaurants, serve food without table service. Examples include ‘fast food’ restaurants like McDonald’s, or ‘fast casual’ restaurants, like Chipotle, that may have higher prices and cater to different clientele.

**4 BARS AND OTHER** includes catering, and bars that do not serve food.

### POSITION

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

**1 MANAGERS AND SUPERVISORS, INCLUDING CHEFS.**

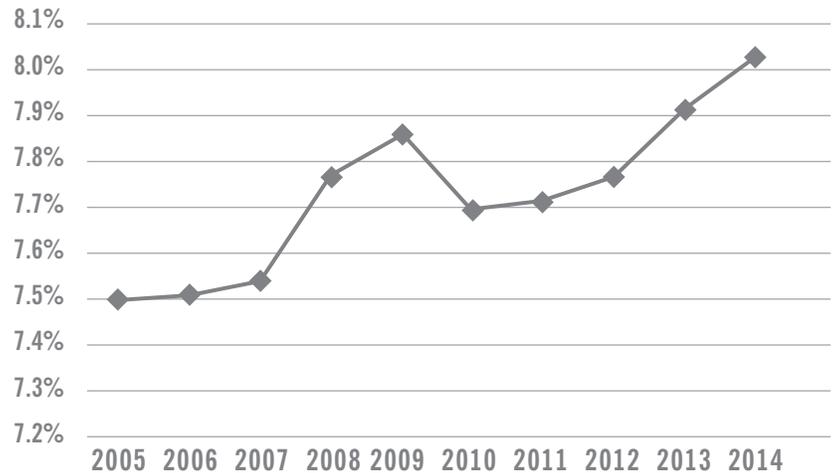
**2 FRONT-OF-THE-HOUSE POSITIONS**, including all staff that has direct contact with customers, such as servers, bartenders, hosts, and bussers.

**3 BACK-OF-THE-HOUSE POSITIONS**, or those that do not involve direct contact with customers, but are essential to a restaurant’s functions, such as dishwashers and cooks. Many quick service employees work a combined back of the house and front of the house position. Quick serve jobs are categorized as Back-of-the-House in this study because wages and working conditions in them are similar to those in Back-of-the-House jobs.

**FIGURE 4** FOOD SERVICES AND DRINKING PLACES JOBS IN SEATTLE AS A PERCENT OF TOTAL PRIVATE SECTOR JOBS

In the last decade, restaurants have grown in importance as a percentage of the Seattle region's economy.

Source: Bureau of Labor Statistics, Current Employment Statistics, 2005-2014.



## WHAT ARE THE CHARACTERISTICS OF THE WORKFORCE?

Most jobs in the restaurant industry do not require formal education, with the exception of chefs and sommeliers (wine stewards). There is no formalized training or universally accepted certification for most restaurant jobs; instead most employees obtain job skills during on-site training. Back of the house workers, often working in hot, cramped spaces, must be able to fill orders in a timely 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.

Census data shows that the Seattle restaurant industry is generally younger, has greater representation of women and people of color, with a higher proportion of foreign-born workers and workers without a college degree than the overall workforce (see Table 2). Some key statistics include:

### GENDER

Women make up half the industry's overall workforce, and make up 56% of the industry's tipped restaurant occupations, and 64% of servers, compared to 46% of the overall economy.<sup>10</sup>

### AGE

Seattle restaurant workers are younger on average than the overall labor force of the city, but the industry is an important source of jobs for workers in all age brackets. The median age of restaurant employees is 30 compared to 41 in the overall work force. Nearly 31% of restaurant industry workers are between the ages of 16 and 24, three times the rate of all Seattle workers in the same age category, and the share of workers between the ages of 45 and 64 is 20%, or nearly half of the 38% among all workers. However, in both the restaurant industry and the broader economy nearly half of all workers, 48%, are between the ages of 25 to 44 in both the restaurant industry and the overall economy.<sup>11</sup>

### RACE

Approximately 50% of the restaurant labor force in 2010 was comprised of Blacks, Asians, Latinos, and other workers of color, compared to only 33% among all Seattle workers. Asian

workers comprise the largest single group after whites, at 20%, compared to 15% among the total workforce. Latinos represent 19% of the industry, but that is more than twice their participation in the total economy at 8%. Black workers are represented at the same rate as in the rest of the local economy, but are overrepresented in fast food occupations and earn the absolute lowest wages.<sup>12</sup> In total, the restaurant industry provides greater opportunities for workers of color than the rest of the economy, but as shown in Chapter III, tends to segregate them in the lower earning segments of the industry.

### FOREIGN BORN

In Seattle there are 35% foreign born workers employed in the restaurant industry, compared to 24% in all industries.<sup>13</sup>

### EDUCATION

The restaurant industry provides greater opportunities for workers without extensive education, 53% have a high school degree or less compared to 27% among all Seattle workers. Similarly, the restaurant industry provides greater opportunities for workers without a Bachelor's degree, 84% do not have a B.A., compared to only 51% among all workers. However, 47% of all restaurant workers still have at least some amount of college education.<sup>14</sup>

## WHAT DO THE JOBS PAY?

While Seattle restaurant industry employment has grown in the past decade, wages in the region have not kept pace. According to the Bureau of Labor Statistics' Occupational Employment Statistics survey of employers, in 2014, the median hourly wage for a worker in the Seattle-Tacoma-Bellevue restaurant industry was \$11 per hour, compared to a \$21.65 median wage per hour for all occupations.<sup>15</sup> The average annual salary was \$26,620 in the restaurant industry, less than half the average salary of \$57,370 among all occupations. As seen in Table 3, in the greater Seattle Metro Area, the median hourly wage for food preparation and serving related occupations is \$11.00 per hour, which is only 51% of the median wage for all Seattle Metro Area occupations (\$21.65). Moreover, over two-thirds of the workers in the restaurant industry, 71%, are employed in positions that earn an hourly median wage below \$12.25, the 2015 poverty wage needed to reach a low standard of living for a family of three in the metropolitan Seattle area if a person works full-time, full-year (2,080 hours; see Chapter III). Our survey data of restaurant workers in the Seattle area found a \$13.22 median wage, with 42.7% of workers earning below \$12.25 per hour.

## ECONOMIC DYNAMISM OR DANGEROUSLY LOW STANDARDS FOR SEATTLE JOBS?

The data presented in this chapter demonstrate the robust growth of the restaurant industry in Seattle and its centrality to the city's economic life and recovery from the Great Recession. However, they also call attention to the fact that the growth of the restaurant industry has meant that a growing number of Seattle jobs do not support a family. The patterns observed in the Seattle restaurant industry are part of an unsettling broader dynamic in the U.S. labor market of growing inequality with economic growth centered on low-wage service occupations.

**TABLE 2 DEMOGRAPHIC PROFILE OF SEATTLE'S RESTAURANT WORKERS VS. ALL SEATTLE WORKERS**

	Restaurant workers	All workers		Restaurant workers	All workers
<b>GENDER</b>			<b>PLACE OF BIRTH</b>		
Male	50.7%	54%	U.S.	63.6%	74.3%
Female	49.3%	46%	Latin America	14.9%	4.9%
<b>TIPPED OCCUPATIONS</b>			Europe	2.1%	4.3%
Male	44.4%	43%	Asia	16.8%	12.7%
Female	55.6%	57%	Africa	1.5%	2%
<b>SERVERS</b>			Other	1.2%	1.7%
Male	36.1%		<b>YEARS IN THE U.S.</b>		
Female	63.9%		Born in the U.S.	63.4%	74%
<b>AGE</b>			0-5 years	7.1%	4%
16-24	31.3%	10.5%	6-10 years	9.2%	4.4%
25-44	47.7%	48.4%	11-15 years	7.4%	4.8%
45-64	19.7%	37.5%	16-20 years	4.1%	3.6%
65 and older	1.4%	3.7%	21 or more	8.8%	9.3%
<b>RACE/ETHNICITY</b>			<b>ABILITY TO SPEAK ENGLISH</b>		
White	49.8%	67.4%	Speaks only English	59.2%	74.7%
Black	5%	5.2%	Speaks very well	15.8%	15.2%
Asian	20.1%	15.3%	Speaks well	10.8%	5.9%
Latino	19.3%	8.1%	Speaks, but not well	11.6%	3.5%
Other	5.8%	4%	Does not speak English	2.7%	0.7%
<b>NATIVITY</b>			<b>EDUCATION</b>		
Citizen	76.7%	88.2%	Less than high school degree	16.1%	5%
Not a citizen	23.3%	11.8%	High School Degree	36.9%	22.4%
Birth citizen	64.9%	76.1%	Some college	31.2%	23.6%
Foreign born	35.1%	23.9%	Bachelor's degree and higher	15.8%	49%

Source: ROC United analysis of American Community Survey (2010-2013). Ruggles, Steven, Alexander J. Trent, Genadek Katie, Goeken Ronald, Schroeder Matthew B., and Soebek Matthew, Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database], (Minneapolis: Minnesota Population Center, 2010).

**TABLE 3 MEDIAN AND AVERAGE WAGES FOR RESTAURANT OCCUPATIONS IN THE SEATTLE-TACOMA-BELLEVUE METROPOLITAN REGION**

OCC CODE	OCC TITLE	H Median	A Median	H Average	A Average
00-0000	All Occupations	\$21.65	\$45,040	\$27.58	\$57,370
35-0000	Food Preparation and Serving Related Occupations	\$11.00	\$22,880	\$12.80	\$26,620
35-1011	Chefs and Head Cooks	\$22.58	\$46,970	\$25.33	\$52,690
35-1012	First-Line Supervisors of Food Preparation and Serving Workers	\$16.66	\$34,660	\$17.72	\$36,870
35-2011	Cooks, Fast Food	\$10.36	\$21,550	\$11.08	\$23,040
35-2012	Cooks, Institution and Cafeteria	\$14.57	\$30,300	\$15.01	\$31,230
35-2014	Cooks, Restaurant	\$12.79	\$26,600	\$12.88	\$26,790
35-2015	Cooks, Short Order	\$11.30	\$23,510	\$11.70	\$24,330
35-2019	Cooks, All Other	\$13.89	\$28,890	\$14.95	\$31,100
35-2021	Food Preparation Workers	\$11.05	\$22,980	\$11.87	\$24,690
35-3011	Bartenders	\$13.23	\$27,510	\$15.48	\$32,190
35-3021	Combined Food Preparation and Serving Workers, Including Fast Food	\$9.99	\$20,770	\$10.72	\$22,300
35-3022	Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	\$10.04	\$20,890	\$10.86	\$22,590
35-3031	Waiters and Waitresses	\$10.70	\$22,250	\$14.22	\$29,580
35-3041	Food Servers, Nonrestaurant	\$10.46	\$21,750	\$11.28	\$23,460
35-9011	Dining Room and Cafeteria Attendants and Bartender Helpers	\$10.05	\$20,890	\$11.58	\$24,090
35-9021	Dishwashers	\$10.57	\$21,980	\$10.80	\$22,470
35-9031	Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	\$10.83	\$22,530	\$11.54	\$24,010
35-9099	Food Preparation and Serving Related Workers, All Other	\$10.62	\$22,100	\$11.78	\$24,510

Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2014



# Workers' Perspectives

## EARNINGS AND BENEFITS

### EARNINGS

As a whole, our survey of workers in the Seattle area found a higher median wage for restaurant workers than found in the Seattle-Tacoma-Bellevue MSA, after adjusting all wages to 2015 wage increases. However, despite positive steps taken in Seattle towards raising the minimum wage, our survey indicates that many workers continue to struggle with low wages. The median wage of restaurant workers surveyed was \$13.22. As seen in Table 4, nearly half (42.7%) are paid below the Department of Labor's 2015 poverty rate for the Seattle metropolitan area of \$12.25 for a family of three.<sup>16</sup> Reflecting the dynamics of low-wage employment, our research found that nearly a third (27.6%) resort to working more than one job to make ends meet.

Men earn a median \$13.40 and women a median \$13.12 per hour. The median for white workers is \$14.12 compared to only \$12.12 per hour for workers of color. Our data find a bigger wage gap by race than gender, suggesting that among the largest beneficiaries of a higher minimum wage in Seattle are women, a finding meriting further research. However, men and white workers earn the highest wages in fine dining. Examining across full service restaurants, we see white men earn the highest median wages at \$18.83 per hour, white women earn \$16.43 per hour, men of color earn \$14.02 per hour, and women of color earn \$13.55 per hour. Similarly, examining all tipped workers, white men earn the highest median wages at \$15.74 per hour, white women earn \$15.43 per hour, men of color earn \$14.02 per hour, and women of color

earn \$12.42 per hour. Comparing tipped workers by subminimum wage schedule, we find that Schedule 2 workers earn over \$1 less per hour than Schedule 1 workers (\$14.02 vs \$15.33 per hour). This will need to be closely examined to see if Schedule 2 workers continue to be negatively impacted by the presence of the \$1 less subminimum wage (see Seattle Labor Standards, below). Limited service, or fast food workers earn the minimum wage of \$11 per hour (limited service data are not weighted due to sample size).

As a product of pervasive occupational segregation within the industry and between its segments (discussed in-depth

**TABLE 4**

#### WAGES EARNED BY RESTAURANT WORKERS IN SEATTLE<sup>17</sup>

3.4%	Less Than Minimum Wage (< \$9.47)
39.3%	Below Poverty Line (\$9.48 – \$12.25)
31.8%	Low Wage (\$12.26 – \$18.37)
23.3%	Over 150% of Poverty (\$18.38-\$31.23)
2.3%	Living Wage (\$31.24 and higher)

**TABLE 5**

**MEDIAN WAGE OF WORKERS OF COLOR V. WHITE WORKERS**

White workers	\$14.12
Workers of color	\$12.12

below), restaurant workers of color report median wages \$2 per hour below white restaurant workers (see Table 5). Workers of color are disproportionately excluded from the top earning Front-of-the-House occupations, and so when examining wages in fine dining, we see white workers earn \$2.53 more per hour than workers of color (see Table 6). Among all full service workers, white men earn \$4.81 more per hour than men of color and \$5.28 more per hour than women of color, when comparing median wages. The wage gap between white women and women of color among surveyed workers was \$2.88 among all full service workers, and even greater in tipped occupations. White women working in tipped occupations reported that they earn median wages \$3.01 per hour higher than women of color.

**TIPPED WORKERS**

Washington State is one of just seven states that have abolished the tip penalty. Accordingly, tipped restaurant workers experience far less of the worst aspects of the two-tiered wage system such as high rates of poverty and sexual harassment — industry factors that are pervasive in states that maintain subminimum wages for tipped workers. Seattle’s recent minimum wage increase was a victory for all restaurant workers (see Seattle Labor Standards, below), but some will enjoy those gains faster than others. Unfortunately, tipped workers were singled out for a slower phase in to \$15 an hour creating a temporary two-tiered wage system in the city, creating the potential for uneven gains that already appears to be affecting workers of color in particular.

Fifty five percent of our tipped survey respondents were women, and 29.2% earned below the poverty line. Tipped workers reported experiencing the most erratic schedules of any group in our sample. 52.5% of tipped respondents reported that their schedules change on a daily basis (see Table 7). Indicative of the high rate of labor law violations reported by tipped workers, 94.9% reported that they have experienced some form of wage violation. Finally, only 22.2% of tipped restaurant workers had access to sick leave.

**TABLE 6**

**MEDIAN WAGES BY RACE AND GENDER IN SELECT RESTAURANT SEGMENTS**

Median Wages in Select Restaurant Segments by Race and Gender

	Men	Women	White	People of Color	All
All	\$13.40	\$13.12	\$14.12	\$12.12	\$13.22
Fine Dining	\$17.63	\$17.32	\$17.58	\$15.05	\$17.32
Tipped Occupations <i>Full Service</i>	\$14.68	\$14.44	\$15.43	\$13.43	\$14.47
Limited Service *	\$11.01	\$11.22	\$11.01	\$11.01	\$11.00

The median wage reported by limited service respondents was the minimum wage of \$11.00. Limited service wage data not weighted due to sample constraints.

Median Wages in Full Service and All Tipped Occupations within Race and Gender

	White Men	White Women	Men of Color	Women of Color	All
Full Service	\$18.83	\$16.43	\$14.02	\$13.55	\$15.17
Tipped Occupations	\$15.74	\$15.43	\$14.02	\$12.42	\$14.47

Median Wage by Minimum Wage Implementation Schedule in Seattle

**Schedule 1**

*\$11 minimum wage*  
\$15.33

**Schedule 2**

*\$10 subminimum wage*  
\$14.02

**TABLE 7 SCHEDULE CHANGES EXPERIENCED BY TIPPED WORKERS**

Frequency of Schedule Change	Daily 52.5%
	Weekly 2.3%
	Every other week 23.6%
	Monthly 7.6%
	Rarely or never 7.8%

Examining wages (see Table 6), tipped workers earn lower median wages than Front-of-the-House workers as a whole, and the gains in wages are heavily tilted towards white workers and workers in fine dining. Women of color in tipped occupations tend to fare the worst from the recent adoption of a minimum wage carve out for tipped workers. Workers of color, in general, fare worst in tipped occupations, denied equal access to the livable wage jobs enjoyed by white workers.



**Jeremy Price**

Co-owner of Barnacle Bar, Walrus & Carpenter, The Whale Wins, Narwhal

“We did away with tips in the restaurants. In place of tips we have a 20 per cent service charge... We’ve rolled that service charge into higher wages for employees so rather than paying 10 or 11 dollars an hour to a server we’re paying 15.50 and dishwashers are making 15, entry level cooks are making 15 and they get a bonus on top of that, a share of the service charge... One of the biggest changes [since implementing the service charge] that most [employees] comment on, is that they’re really excited that the dishwashers are getting [a share of the service charge] now. The dishwashers are making 15 dollars an hour. That seems like whether you’re Front-of-the-House or Back-of-the-House it’s like a real point where everyone can cheer, and certainly Back-of-the-House people are getting more than they were before we did this so there’s good feelings about that. I know that in Seattle in general there’s a pretty tough labor market right now for employers trying to find cooks, but I think we’re having an easier time than others as a result of the decisions that we’ve made and how we structure our businesses and treat people.

We’re reacting not just to disparities between the Front-of-the-House and Back-of-the-House when we removed tips, but also that performance piece, and also this idea that tipping is not really a good measure of performance on either side of the relationship. As a customer, I tip what I tip regardless of service unless something was totally extraordinary... I don’t think that customers are in the best position to determine the compensation of our employees, [so] putting managers back in the driving seat of how people are getting compensated I think is important and healthy for the business.

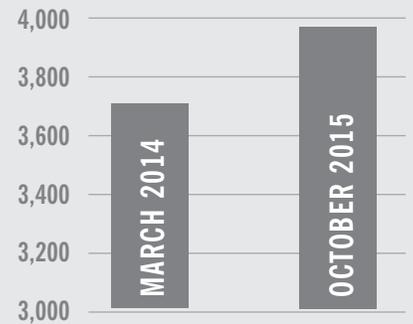
There’s a lot of gross things that come with tipping, the sexism and the racism that kind of exist in our society and are expressed in that transaction... we know that attractive people make more tips or how you dress can determine how you get tipped, all these things that have no place if you’re trying to create a professional work environment for your employees and for your customers.”



**DATA SHOW RESTAURANT INDUSTRY IS BOOMING IN SEATTLE**

In the aftermath of the historical victory of Seattle’s living wage movement many conservative media and policy networks have tried to paint a picture of a “rash of shutterings” taking place in the Seattle restaurant industry. The empirical evidence however, suggests the opposite is the case — the restaurant industry is booming. Business counts in the food service industry have grown 7.2% since March 2014. Full-Service restaurant counts are skyrocketing — up 23% since March 2014.<sup>18</sup> A recent article in the Puget Sound Business Journal titled “Apocalypse Not: \$15 and the cuts that never came”, lifts up the increase in area restaurant counts as evidence that Seattle’s \$15 minimum wage law hasn’t slowed regional restaurant growth.<sup>19</sup>

**FIGURE 5 TOTAL SEATTLE FOOD SERVICES & BEVERAGE INDUSTRY BUSINESS LICENSES**





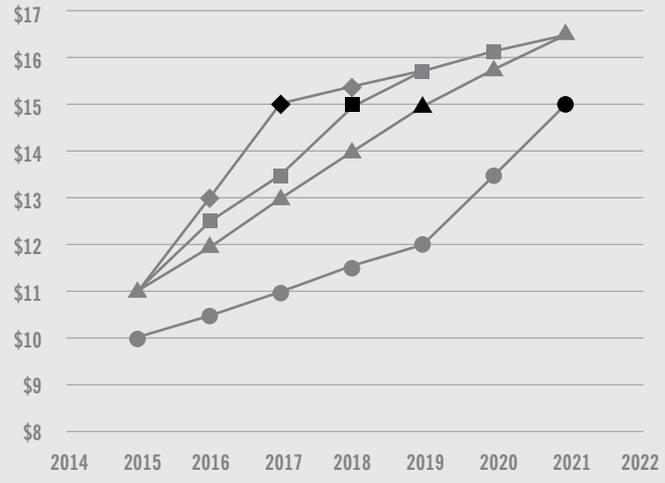
**MINIMUM WAGE SCHEDULE**

Employees in the City of Seattle must receive a minimum compensation standard of \$11 an hour from April 1, 2015. All workers will have a \$15 minimum wage by 2021. However, under Schedule 1 large employers (with 500 or more employees), must pay their employees \$11 per hour in 2015 and will reach a \$15 an hour minimum wage in 3-4 years dependent on whether their employees receive health care benefits. Under Schedule 2, smaller employers that offer health insurance or employ tipped workers must pay their employees \$10 per hour in 2015 and will reach \$15 per hour in seven years.

**SEATTLE PAID SICK AND SAFE TIME ORDINANCE**

Starting in 2012, all employees who perform work in Seattle City limits can accrue paid sick and safe time (PSST).<sup>22</sup> Sick time can be used for personal illness, preventative care, or for attending to a family member’s illness or preventative care (child, grandparent, parent, parent-in-law, spouse or registered domestic partner). Safe time can be used for survivors of sexual assault, stalking, or domestic violence. Safe time can also be used in the event of a closure of a child’s school or place of care.<sup>23</sup>

**SCHEDULE FOR \$15 MINIMUM WAGE IMPLEMENTATION IN SEATTLE**



- ◆ SCHEDULE 1 EMPLOYERS 501+ EMPLOYEES
- SCHEDULE 1 W/MEDICAL BENEFITS 501+ EMPLOYEES
- ▲ SCHEDULE 2 WITH MINIMUM COMP 500 OR FEWER EMPLOYEES
- SCHEDULE 2 500 OR FEWER EMPLOYEES

General Info	Small Employer (Tier 1)	Medium Employer (Tier2)	Large Employer (Tier 3)
Full Time Equivalent	More than 4-49 employees	50-249 employees	250 or more employees
Accrual of PSST	1 hour/ 40 hours worked	1 hour/ 40 hours worked	1 hour / 30 hours worked
Use of PSST	40 hours/ calendar year	56 hours/ calendar year	72 hours/ calendar year
Carryover of unused PSST	40 hours/ calendar year	56 hours/ calendar year	72 hours/calendar year

**SEATTLE WAGE THEFT ORDINANCE**

Seattle’s Wage Theft Ordinance went into effect April 1, 2015. The City’s Office of Labor Standards (OLS) can investigate workers’ complaints around nonpayment of wages and tips. The ordinance requires employers to provide written notice in relevant languages to employees at the time of their hire of payment policies, to pay wages on a regular pay day, to post written notice to employees of their rights under the Wage Theft Ordinance, and to keep payroll records for at least 3 years for employees covered under the ordinance.

**JOB ASSISTANCE ORDINANCE**

As of November 2013, Seattle has set limits on the ways employers can utilize conviction and arrest records in making hiring decisions. The law prohibits blanket exclusions in job postings, limits questions related to applicants criminal history on job applications and requires employers to specify a legitimate business reason to deny employment on the basis of a criminal record.

## HOUSING

*“I think the bigger issue should be rent control rather than raising the minimum wage...here our rent can go up and up and up and we can't do anything about it.”*  
—Line Cook

With Seattle having some of the fastest rising rents in the country, restaurant workers' lower purchasing power strongly affects how and where they live. The generally accepted standard on housing affordability is that rent should be no more than 30% of income. According to the National Low Income Housing Coalition, the fair market rent for a two-bedroom unit in King County is \$1,415.<sup>20</sup> In order to afford that rent, a worker would need an hourly wage of \$27.21.<sup>21</sup> More than three-quarters of our survey sample earned less than that amount. A typical restaurant worker would need to work 83 hours per week to afford that.

Survey data demonstrated that restaurant workers in the Seattle area are paying on average \$700 per month in rent. In addition to this, many workers reported commuting significant distances from lower-income areas with more affordable rents and sharing housing costs by living with more people. 46.2% of restaurant workers living below the poverty wage live in a house with four or more total residents while only 33.7% of those earning 150% of the poverty wage live in a house with four or more residents. 4.8% earning a poverty wage live in a house with six or more total residents.

## BENEFITS

The majority of restaurant workers surveyed reported that they do not receive workplace benefits. 87.7% of workers surveyed do not have health insurance through their employer and 28.4% reported not having any form of healthcare insurance coverage. Even when employers do offer healthcare, it is often inadequate. As one worker explained:

*“I was on the cheapest [healthcare] plan, it was I think \$370 each month so it was like \$150ish off each of my checks, and...it was not worth that much by any means. But I needed insurance so I kind of had to get it...I was on three medications, and I could only get a month's supply at a time, so that was like \$100/month so it was damn near impossible on top of the insurance, which was really annoying. I actually ended up going to a homeless youth clinic...I ended up going there for basically the entire time I was working.”* —Barista

The absence of employer-provision of job benefits and health care at the workplace displaces the responsibility to other family members or the state to meet restaurant workers basic needs. 11.4% of restaurant workers surveyed have had to rely on the Emergency Room without being able to pay in the last year. A significant number of the 28.4% of restaurant workers who report not having any form of health insurance coverage rely on community clinics, free services at health fairs, and the Emergency Room to receive their healthcare (see Table 8). Most strikingly, 45.7% of restaurant workers without health insurance report that they only receive healthcare through the emergency room.

**TABLE 8**

### JOB BENEFITS AND HEALTH REPORTED BY RESTAURANT WORKERS

Does not receive health insurance from employer	<b>87.7%</b>
Do not have any health insurance coverage	<b>28.4%</b>
Gone to the ER without being able to pay in the past year	<b>11.4%</b>
Do not get paid vacation days	<b>77%</b>
<b>How workers without insurance receive healthcare:</b>	
Community clinic	<b>14.3%</b>
Free Services at Health Fairs	<b>40%</b>
Emergency Room	<b>45.7%</b>



### David Meinert

Owner of The 5 Point Café

“At the 5 Point we offer paid time off, above sick days, and then we offer a 401k retirement plan as both profit share and matching up to 4%... [The 410k plan] does [affect our turnover] — I wish I could say it affected it more! I’ve had employees who definitely stay and appreciate it and see the value of it. I have others that leave, take another job and cash out...I’ve had other employees leave and not cash out, and then tell me how much they appreciate it because they’ve watched their retirement increase a little bit and they still contribute to it. I think long term it will help turnover... I think it helps us hire better staff.

We offer health insurance through the exchange, which we’re not required to... no matter how much you work here you get coverage, its \$150 of your coverage and for most of the staff that’s 100 per cent. We help sign them up on the exchange, and then reimburse them.

The next benefit I’m looking at is longer paid time off. Its five days right now, and you can use it for any purpose as long as it’s scheduled in advance. The accrual is the same as Seattle sick days. I think that I’d like to see that get up to two weeks and then I’d like to see family leave, some kind of plan. It’s a little harder with hourly workers, but I think there should be something.”

### SICK LEAVE IN SEATTLE

*“They would get really annoyed if you tried using [sick days]. Like, they would let you use it but you had to call specifically two hours beforehand and if you called two hours beforehand and you were sick, it was your responsibility to find someone to cover. Even though I read the book and it said...it’s not your responsibility... if I didn’t find someone to cover my shift they forced me to come in anyway” —Barista*

Since the Seattle City Council implemented the Paid Sick and Safe Time (PSST) Ordinance in 2012, employers with more than four full-time employees have been required to provide paid leave for their employees to attend to their own or their family’s health and critical safety needs. A trail-blazing policy, Seattle was only the 4th city at that time to create a path to paid sick leave for all workers. Three years later, many restaurant workers in Seattle report that they are unaware of the law and unable to access its benefits. 73.5% or the overwhelming majority of restaurant workers in Seattle, report that they do not receive paid sick leave. Of those who do receive sick leave, only 77.5% report that they are able to use it (see Figure 6).

Of those restaurant workers in Seattle who are aware of the law, many don’t recognize key aspects of its provision such as that it also covers time needed for workers to tend to their families health needs. Only 30.8% of respondents reported that they were able to use sick leave to take care of a family member or child. With so many restaurant workers showing no awareness of their

**FIGURE 6**  
**SICK LEAVE ACCESS IN SEATTLE**



legal right to paid sick leave, it follows that many are coming into work sick. 58.8% of restaurant workers in Seattle reported that they've worked while sick. 28.8% of those workers who went into work sick coughed or sneezed while handling food. Other workers who went into work sick reported that their illness got worse or lasted longer and they got other workers sick (see Table 9). As one worker recounted:

*“The [managers] got really mad because I kept coughing on the line and I was like well I’m sick, I don’t have a choice! And they sent me home a couple of times and they seemed really pissed every time they sent me home and I was like well, I don’t like to call off because they get really mad if you call off.... They were really mad that I called off and the fact that I came in sick, [and] they didn’t say anything about [paid sick time]. —Line Cook*

Restaurant workers reported that they prepared and served food while sick for a variety of reasons. 64.1% reported that they couldn't afford to take the day off without pay, even though financial support is one of the key provisions of the Seattle PSST Ordinance. Nearly a third, or 28.6%, were concerned that they could be fired or penalized. As evidence that many managers continue to require ill workers to find a replacement for their shifts, 32.4% of restaurant workers who went into work sick reported that they went in because they couldn't get their shift covered. Despite PSST having been on the books for three years, most restaurant workers don't know about the law and even fewer have access to it.

**TABLE 9**

**CONSEQUENCES OF GOING TO WORK SICK FOR THOSE WHO HAVE GONE TO WORK SICK (SEATTLE)**

‘Unable to complete the necessary tasks for work’	<b>15.4%</b>
‘My illness got worse or lasted longer’	<b>37.5%</b>
‘Coughed or sneezed while handling food’	<b>28.8%</b>
‘I got other workers sick’	<b>36.5%</b>



**Graham** Barista

“For a year and a half I worked as a barista at a local coffee chain in Seattle completely unaware of the Paid Sick and Safe Time (PSST) ordinance. When I finally found out about the ordinance I had no idea I would be forced out of my job for trying to address the issue with management.

I started working at the company in 2012. We did not receive sick/safe leave hours on our paychecks and there was no posted information on PSST at any of the shops. It was often difficult to find coverage for our shifts and taking time off also meant lost pay. We often came to work sick or injured. It was common for sick employees to hide behind the coffee machine, coughing or wiping their nose on their hands, unable to get to the bathroom during a rush. I also saw co-workers disciplined for stress related performance issues when they should have been on PSST leave taking care of their families or for mental health.

In May 2014 my co-worker found out about the ordinance and mentioned it to me at work one day. I thought that fixing the problem in house would seem less aggressive than going directly to the city. I asked the general manager if the ordinance applied to us. I also thought I would be protected from retaliation if things went sour. For a month the company sent out false claims as to why the law wasn't applicable. After finally admitting they needed a PSST policy another month went by and nothing happened. In July 2014 I contacted the Seattle Office of Civil Rights (SOCR) to find out possible next steps.

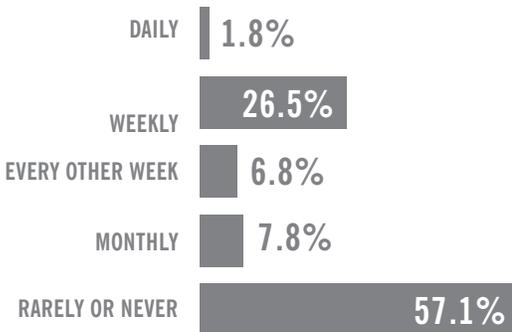
I ended up filing a charge against the company through SOCR. During negotiations, and after settlement, I began to experience retaliation. The company attempted to pressure me into a preliminary settlement. I was pulled aside and talked to for having a “bad attitude” and acting like I was a member of a “resistance army”. After having a steady schedule for a year I was given closing shifts where I made less money. I had a paycheck bounce and after taking a sick day was not compensated for the time on my paycheck. In February 2015, the company still had not complied with the SOCR settlement. Our store was called into a hostile staff meeting after which I had a panic attack and walked out on my shift. I immediately tried to come back to work but was told my shifts would be covered. I never got my job back and legal cases are still pending regarding retaliation.”

## WORKING CONDITIONS

### SCHEDULING

*“The schedule is supposed to be done by Wednesday for the next week. Most often it was done by Friday, so there wasn’t exactly time for you to plan anything. And the schedule could change wildly from one week to the next, so one week I could be scheduled from 1pm to 8pm or something, and then the next it could turn into 9am to 4pm. So it’s like you can’t plan because it’s never consistent.” —Barista*

**FIGURE 7**  
**SCHEDULE CHANGE FREQUENCY**

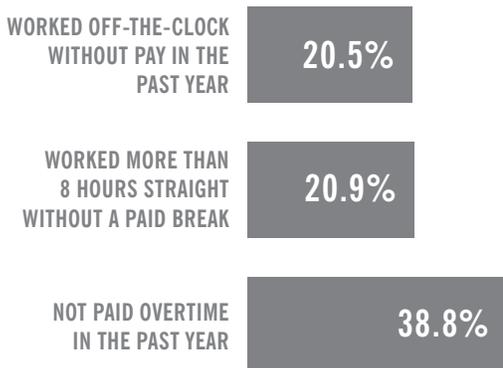


Our survey indicates that many restaurant workers have unpredictable and unsustainable schedules. Nearly a third (26.5%) of workers reported receiving their schedule one week or less in advance. 33.3% reported that their schedule changes at least every two weeks (see Figure 7). With hours fluctuating drastically from week to week, workers are unable to plan a budget to meet their family’s needs. Workers reported that unstable schedules served as a barrier to taking up additional work or attending higher education, and made consistent arrangements for childcare difficult. Only 30% of workers reported regularly having input in schedule making. 15% of restaurant workers reported being unilaterally issued their schedules without any agency whatsoever in specifying preferred hours. Creating space for restaurant workers to attend to their family and personal needs is impossible without affording workers the right to confer with management about their scheduling preferences.

### WAGE THEFT

*“They said there will never be more than 80 hours on a pay stub, but you can be paid the rest of your straight time in cash, but that’s not at time and a half.” —Bartender*

**FIGURE 8**  
**OVERTIME AND OFF-THE-CLOCK VIOLATIONS**



Wage theft is a description for employer practices that break wage and hour employment laws put in place to protect worker’s wages, such as the minimum wage and overtime laws. Our survey found that wage theft is common in Seattle’s restaurant industry. 38.8% of restaurant workers who have worked over 40 hours a week in the past 12 months reported not receiving the legally mandated overtime rate. One worker that we interviewed suggested that to get overtime “you literally have to fight for it”, and added, “I think there should be better monitoring on whether or not people are getting paid.” 20.5% of workers reported working off the clock and 20.9% that they’ve worked more than eight hours without a paid break (see Figure 8). 6% of tipped workers say management takes a share of their tips. Finally, 15.4% of restaurant workers reported that they were required to purchase part or whole of their uniform cost. Employment law violations occurred unevenly between industry segments. Restaurant workers in fine dining restaurants were about three times as likely

as fast food workers to experience overtime violations, work off the clock, or work more than 8 hours straight without a meal break (see Table 10).

**TABLE 10 EMPLOYMENT LAW VIOLATIONS REPORTED BY RESTAURANT WORKERS**

	Fine Dining	Family Style	Quick Serve
Experienced overtime wage violations	23.2%	7.4%	8.1%
Worked off the clock without pay	43.9%	4.1%	13.5%
Management takes share of tips	14.7%	4.6%	4.7%
Worked more than 8 hours straight without a meal break	41.8%	6.2%	11.8%

### HEALTH AND SAFETY VIOLATIONS

Our survey data revealed that restaurant workplaces often do not comply with regulations designed to ensure the health and safety of workers. 13.5% of restaurant workers reported fire hazards such as blocked doors or non-functioning fire extinguishers in the restaurant where they worked. 13.9% reported that the cutting machines in their kitchen lacked guards and 16.3% that there were no mats on the floor to prevent potential slips. 20.3% of restaurant workers surveyed have carried out assignments at work that put their safety at risk.

The prevalence of health and safety hazards in restaurant workplaces is reflected in the rate of workplace injuries reported by restaurant workers. On-the-job injuries are pervasive in Seattle area restaurants. 41.8% of the sample reported suffering work-related cuts, 29.6% had been burned on the job, and 30.6% came into contact with toxic chemicals during the course of their work. 13.9% of restaurant workers reported that they've slipped and injured themselves while at work (see Figure 9). To make matters worse, 21.2% reported enduring chronic pain as a result of their work, particularly in their back and feet. Back-of-the-House workers were more likely than Front-of-the-House workers to experience burns and cuts, and to come into contact with toxic chemicals on the job (see Table 11).

Understaffing — defined as not having enough personnel to adequately run the restaurant without excessive strain and stress on workers — existed in strong relation to on-the-job injuries and noncompliance with health and safety regulations in our survey data. 88.3% of workers reported working when

**FIGURE 9 WORKPLACE INJURIES**



**TABLE 11 WORKPLACE INJURIES BY OCCUPATION**

Workplace Injuries	Front-of-the-House	Back-of-the-House
Have been burned while on the job	15.5%	40.0%
Have been cut while on the job	37.1%	45.4%
Have come into contact with toxic chemicals	24.6%	35.2%

**TABLE 12****EXPERIENCE OF VERBAL ABUSE**

25.3% Responded that in the past 12 months they or a co-worker had experienced verbal abuse

Of those who reported experiencing verbal abuse, reported that a factor was:

- 38.1% Gender
- 36.3% Race or ethnicity
- 19.5% Language
- 27.4% Politics
- 21.2% Immigration status
- 5.3% Religion
- 23.9% Sexual Orientation
- 31.9% Age

**TABLE 13****UNEVEN APPLICATION OF DISCIPLINE**

12.1% Responded that in the past 12 months they or a co-worker had been disciplined more often or severely than others

Of those who reported frequent or more severe discipline, reported that a factor was:

- 41.3% Race or ethnicity
- 36.5% Gender
- 31.7% Age
- 28.6% Politics
- 14.3% Sexual orientation
- 20.6% Language
- 23.8% Immigration status
- 6.3% Religion

**TABLE 14****RESTAURANT WORKERS OR THEIR CO-WORKERS PASSED OVER FOR A PROMOTION**

13.2% Responded that in the past 12 months they or a co-worker had been passed over for a promotion

Of those who reported being passed over for a promotion, reported that a factor was:

- 50.0% Gender
- 51.4% Race or ethnicity
- 15.3% Language
- 34.7% Politics
- 38.9% Age
- 19.4% Immigration status
- 15.3% Sexual orientation
- 5.6% Religion

the restaurant was understaffed in the past 12 months, while 86.3% reported performing several jobs at once. Alongside this, 36.1% reported performing a job they were not trained for and 24.1% reported doing something due to time pressure that might have harmed the health and safety of customers. Skeletal staffing pressures workers in ways that adds undue stress while endangering their health and safety as well as the well being of customers.

**UNFAIR APPLICATION OF DISCIPLINE**

Many restaurant workers reported being disciplined more severely or often than their co-workers on the basis of their race, gender, age, immigration status, or sexual orientation. Of those who experienced more severe discipline than their co-workers, race was the most prominent factor cited in the uneven application of discipline reported (41.3%), followed by gender at 36.5% (see Table 13). 25.3% of restaurant workers reported that they or a co-worker had experienced verbal abuse in the past 12 months. Of those who had experienced or observed verbal abuse, gender was the most cited factor in shaping that abuse (38.1% of respondents), followed by race at 36.3% (see Table 12).

**MOBILITY WITHIN THE INDUSTRY****OPPORTUNITIES FOR ADVANCEMENT**

*“This has happened a couple of times...we hired a dishwasher and they were under the impression that after some time they would become a server, and it just never happened.” – Bartender*

In addition to poor wages and benefits, restaurant workers reported that they have few opportunities to advance in pay and responsibility in the industry. 43.3% of restaurant workers reported that they had not moved up from their previous job and 62.8% that they do not receive the necessary on-the-job training to be promoted. Of those who reported that they were passed over by a co-worker for a promotion, 51.4% suggested that race or ethnicity was a factor and 50% that gender was a factor in being passed over for promotion (see Table 14).

**OCCUPATIONAL SEGREGATION**

While the Seattle area restaurant industry thoroughly reflects the multi-cultural and multi-racial fabric of the city, there is also significant occupational segregation within the industry. This segregation is most pronounced around differences in position and industry segment. Our research indicates that workers of color are disproportionately represented in those industry segments and occupations where poverty wages and poor working conditions are most concentrated – in the Back-of-the-House and in quick serve restaurants (see Tables 15 & 16). White workers disproportionately occupy living-wage jobs in the industry, and people of color disproportionately hold low-wage jobs.

Economic and workplace disparities in the restaurant industry can be most readily analyzed by occupation type (Front-of-the-House or Back-of-the-House) and industry segment (fine dining, casual, and quick serve), and in both our data shows a significant wage gap by both race and gender. Within occupation types, workers of color are paid less than their white counterparts. In the Front-of-the-House, white men reported median wages of \$16.21, \$4.48 per hour higher than women and \$4.59 higher than men of color. In Back-of-the-House positions these differentials were less pronounced but still evident, white men reported median wages of \$13.53 an hour, while men of color earned \$12.90.

Our research indicates that a worker's location in either Front- or Back-of-the-House strongly shapes their earning potential, access to benefits, opportunities for training and advancement, and working conditions. Workers of color are highly represented in kitchen positions — constituting 57.3% of Back-of-the-House workers and only 38.4% of Front-of-the-House workers. Kitchen workers experience greater exposure to unsafe work conditions than service workers (see Table 18). 40% of kitchen workers have been burned and 45.4% have been cut on the job, compared to 15.5% and 37.1% for workers in the Front-of-the-House.

The differences in working conditions between industry segments reflect similar disparities to those experienced within job types. The median wage of workers in fine dining is \$17.32 compared to \$15.17 in casual restaurants, and \$11.00 in quick serve (see Table 19)

Those working in the best-paid positions in the restaurant industry — fine dining servers and bartenders- reported receiving a median wage of \$18.80 per hour. However, fine dining serving and bartending positions in the Seattle-area are also the most difficult to access for workers of color. White workers were highly represented (67.2%) in these positions in our survey (see Table 20). Conversely, workers of color were overrepresented in the sample of fast food segment, with a median wage of just \$11 per hour (see Table 21).

**TABLE 15** JOB TYPE DISTRIBUTION BY RACE

	Asian	Black	White	Latino	Other
Front-of-the-House-Workers	43.3%	40.2%	52.2%	22.6%	34.5%
Back-of-the-House Workers	56.7%	59.8%	47.8%	77.4%	65.5%

**TABLE 16** INDUSTRY SEGMENT DISTRIBUTION BY RACE

Race/Ethnicity	Fine & Casual Fine Dining	Family Style	Quick Serve
Asian	10.1%	18.9%	17.7%
Black	16.0%	14.4%	14.4%
White	55.1%	42.6%	45.6%
Latino	13.4%	19.9%	18.6%
Other	5.4%	4.2%	3.8%
Total	100%	100%	100%

**TABLE 17** MEDIAN WAGE BY RACE AND RESTAURANT JOB TYPE

	White Men	Men of Color	White women	Women of Color
FOH	\$16.21	\$11.62	\$15.07	\$11.62
BOH	\$13.53	\$12.90	\$13.21	\$11.77

\* Figures not weighted due to sample size constraints.

**TABLE 18** WORKPLACE CONDITIONS AND INJURIES BY JOB TYPE

Workplace Conditions	Front of the house	Back of the house
Employer does not provide health insurance	81.4%	92.5%
Do not have health insurance	15.9%	37.8%
Experienced overtime wage violations	11.0%	11.1%
Did not receive on-going job training needed to be promoted from employer	69.2%	57.9%
<b>Workplace Injuries</b>		
Have been burned while on the job	15.5%	40.0%
Have been cut while on the job	37.1%	45.4%
Have come into contact with toxic chemicals	24.6%	35.2%

**TABLE 19** MEDIAN WAGE BY INDUSTRY SEGMENT

Fine Dining	\$17.32
Family Style	\$15.17
Quick Serve	\$11.00

**TABLE 20** RACE DISTRIBUTION OF FINE DINING SERVERS AND BARTENDERS

<b>Fine dining server/ bartender median wage: \$18.80/hour</b>	White workers	67.2%
	Workers of color	32.8%
	Black	4.0%
	Latino	10.4%
	Asian	13.6%
	Other	4.8%

**TABLE 21** RACE DISTRIBUTION OF QUICK SERVE WORKERS

<b>Median wage of quick serve workers: \$11.00/hour</b>	White workers	45.6%
	Workers of color	54.4%
	Black	14.4%
	Latino	18.6%
	Asian	16.7%
	Other	3.8%

**TABLE 22****GENDER DISTRIBUTION BY JOB TYPE**

	FOH	BOH
Women	65.3%	41.3%
Men	33.1%	55.8%
Transgender	1.6%	2.9%

**TABLE 23****GENDER DISTRIBUTION BY JOB TYPE WITHIN FINE DINING AND FAMILY STYLE**

	Fine Dining	Family Style	Quick Serve
Men	77.4%	41.7%	49.2%
Women	22.6%	57.2%	48.4%
Transgender	0.0%	1.2%	2.4%

**TABLE 24****BARRIERS TO PROMOTIONS REPORTED BY RESTAURANT WORKERS**

13.2% Responded that in the past 12 months they or a co-worker had been passed over for a promotion

Of those who reported being passed over for a promotion, reported that a factor was:

- 50.0% Gender
- 51.4% Race or ethnicity
- 15.3% Language
- 34.7% Politics
- 38.9% Age
- 19.4% Immigration status
- 15.3% Sexual orientation
- 5.6% Religion

Disparities in pay and workplace conditions were equally evident when comparing the compensation of men and women. Men working in the Front-of-the-House reported earning a median wage of \$14.37 compared to women earning a median wage of \$11.73 in the same positions. Male workers overall reported earning a median wage of \$13.40 per hour compared with female workers reporting earning \$13.12. Women restaurant workers as a whole are heavily represented in Front-of-the-House positions, but are most concentrated in family-style restaurants as opposed to better-paying fine dining positions (see Table 23). Only 39.3% of bartenders in the Seattle-area are women. As one bartender we interviewed observed, “The best position is bartender by far. All the bartenders are white. We have 2 female bartenders, the rest are male.” Women were the overwhelming majority of lower-paid Front-of-the-House positions, 81.3% of Hosts were women, and 60.1% of counter attendants (including baristas and cashiers) were women.

**DISCRIMINATION IN HIRING, PROMOTION, AND TRAINING PRACTICES**

*“There’s a lot of racial undertones...why is it that every bar I go to they’re all white bartenders?...Why does it look so picture perfect? And believe me, it’s not because there’s not a lot of black folks in Seattle.” —Barista*

Having outlined problems related to the occupational segregation in working conditions and economic outcomes in the Seattle area restaurant industry, this section examined practices around promotion, hiring, and training in order to measure how they shape occupational segregation by race and gender. Seattle area restaurant workers reported experiencing discrimination in promotion practices. Of workers who reported being unfairly passed over for a promotion, over half (51.4%) reported that race was a strong factor in shaping that decision (see Table 24). 50% of workers who reported being passed over for a promotion reported that gender was a factor.

**Monica Dimas**

Owner of Tortas Condesa & Neon Taco

“[At my first job] I had a female sous chef which was not normal. It was great... I have other female leaders in my life that I’m drawn to, but having the female sous chef showed me that this step was achievable... it was great to see somebody who was higher up who was a female, we also had quite a bit of diversity in the kitchen, mostly male but racially diverse — it was always super helpful to have that and it wasn’t just Latinos in the lower level positions, it was a wide range and there were Latinos in upper management. So that really set a tone for me and how my hiring practices are now. Promoting from within build loyalties among your employees and it builds trust. It’s not just clock in and clock out it shows your invested... That helps my company because I don’t have people quitting on me. Over the last year I’ve only lost one person — and that’s part of the culture I create.”



**Vernon** Barista

“They want an image in front. There’s an image you have to have [and] that image can really make or break if you get the job. They’ll look at you before you do the interview like, I’ll interview you but you are not what we’re looking for... people [should] be able to walk into an interview and feel confident and know that it’s who they are as a person that’s gonna shine through and make it into the industry they want to be a part of... I think it will make people feel more comfortable to spend more money when they see more diversity and better hiring practices.”



## JOB ADS FOUND ON SEATTLE CRAIGSLIST

- ★ **SUPER Barista NEEDED – September 28, 2015:** We are looking for people with high energy, down to earth, keepin it “real” gals, with personality and a zest for life, a passion for meeting people, and making great coffee! So if this sounds like you, please email your resume, with a current picture, and please note what position you are applying for.
- ★ **Bartenders & Servers Needed – October 1, 2015:** Currently looking for Full and Part time Bartenders and Servers. If you are interested please shoot us an email. In the email please include the following \*Resume, \*Picture\* What position you’re interested in and Full or Part time. Ps. We are searching for 12 girls for our University Calendar!!
- ★ **Bikini Barista needed – October 12 2015:** We are looking for someone who is friendly, outgoing, reliable, honest, and comfortable working in a bikini. If you are interested, please email your resume with a current photo of yourself.



# Conclusion and Policy Recommendations

By examining workers experiences alongside industry and government data, we've developed a comprehensive picture of Seattle's restaurant industry. Our research suggests that the package of labor policies enacted by the City of Seattle has helped lift earnings and working conditions for restaurant workers considerably. Many Seattle area restaurant owners stand out in the industry by running successful restaurants while offering their employees fair wages, benefits, and working conditions. These policies foster employee satisfaction, lower turnover costs, and increased productivity. However our research also demonstrates that there remains much progress to be made in widening access to the provisions of Seattle's labor standards and deepening their enforcement. Many Seattle area restaurant jobs are characterized by low wages, no benefits, and unsafe working conditions. Low-road practices continue to compromise the health and safety of workers as well as customers, demonstrating the need for greater and more rigorous enforcement of current protections such as wage and hour and paid sick leave, as well as expansion of worker protections such as around scheduling.

## POLICYMAKERS SHOULD:

1. Increase awareness and understanding of local labor laws though collaborating with community groups with expertise in those sectors with large concentrations of vulnerable workers.
2. Raise the subminimum wage for tipped workers to match the overall minimum wage. Employers that move away from tipping should practice open book management so that workers have a clear sense of whether they are receiving their fair share.
3. Support job training programs that provide high-quality and accessible training in the special skills needed to advance within the industry, particularly for underrepresented groups such as people of color, women, and immigrants. Policymakers can provide:
  - Incentives to employers who provide on-the job-or off-premises training of this nature.
  - Training programs for underrepresented populations to obtain skills to advance to living-wage positions within the industry.

4. Strengthen and enforce employment laws in the restaurant industry and penalize violators at a level that will deter other employers from violating laws in the first place. This includes:
  - Wage theft: Higher penalties are needed so that risk of potential damages outweighs immediate gains.
  - Similar measures should also be taken to enforce health and safety standards.
  - Employers must be educated about their legal responsibilities to their employees, and employees must be educated about their legal rights.
5. Ensure that restaurant workers and their families have affordable access to healthcare. Restaurant workers too often have to rely on emergency room treatment, which raises healthcare costs for the broader community.
6. Protect workers from violations of federal, state, and local anti-discrimination and equal employment opportunity laws.
  - Assist advocates engaged in anti-discrimination campaigns through intervention aimed at encouraging employers to change their discriminatory practices. Additionally, by increasing penalties against employers who violate anti-discrimination laws, legislators can create a deterrent to such discrimination.
  - Ensure that employees understand their rights under anti-discrimination laws and make enforcement of such laws within the restaurant industry a priority.
  - Adopt legislation that would provide incentives or require employers to provide regular, ongoing sexual harassment training with all employees, including managers.
7. Enact legislation that would help workers cope with erratic scheduling.
  - Several states have passed reporting-time pay legislation, which requires employers to pay workers for a few hours of their time when they report to work and are sent home immediately.
  - Other policymakers have enacted protections against erratic and unreliable schedules by requiring that employees receive their schedules with enough advanced notice to plan their lives.
8. Publicly support collective organizing among restaurant workers.
9. Initiate and support further study and dialogue on occupational segregation and other areas where more study is needed.

## EMPLOYERS SHOULD:

1. Adopt systematic and fair hiring and promotions practices.
2. Adopt and clearly communicate policies and procedures, including anti-discrimination and harassment policies, to protect the well being of all workers.
3. Clearly communicate to workers about their benefits, such as earned sick days.
4. Enhance job quality and employee retention by increasing wages and developing scheduling practices that meet both employer and worker needs.
5. Learn techniques that successful restaurant employers use to implement livable wages, benefits, scheduling control, and career ladders. ROC-Seattle can act as a resource to provide technical assistance to employers.

## CUSTOMERS SHOULD:

1. Support responsible restaurant owners who provide fair wages, benefits, and opportunities for workers to advance. Many of these restaurants can be found in the Restaurant Opportunities Centers' National Diners' Guide ([www.rocunited.org/dinersguide](http://www.rocunited.org/dinersguide)).
2. Speak to employers every time you eat out and let them know you care about livable wages, benefits, and opportunities for women and people of color to advance in the restaurant industry.
3. Where workers have filed legal charges against employers who are violating the law, call the company and let them know that you will not support illegal practices.

## WORKERS SHOULD:

1. Become involved in the Seattle restaurant worker movement. There are many opportunities for involvement in worker-led committees, trainings and more.

**UNWEIGHTED SURVEY DEMOGRAPHICS** SAMPLE SIZE = 524

AGE	% OF SAMPLE	RACE/ETHNICITY	% OF SAMPLE
25 and under	43.0%	White	50.8%
26-35	29.5%	Black	11.6%
36-45	16.4%	Latino, any race	19.6%
46-55	9.6%	Asian	14.6%
Over 55	1.6%	Other	3.4%
<b>RESTAURANT SEGMENT</b>		<b>LOCATION OF RESTAURANT</b>	
Fine dining	18.0%	North Seattle	26.6%
Family style	32.8%	Central Seattle	35.1%
Quick service	38.6%	South Seattle	10.7%
Bars and other		North King County	2.7%
		South King County	9.7%
		East King County	15.2%
<b>NATIVITY</b>		<b>POSITION</b>	
Born in the U.S.	75.7%	Front-of-house	67.5%
Foreign born	24.3%	Back-of-house	32.5%
<b>GENDER</b>		Source: Seattle Restaurant Industry Coalition survey data	
Female	46.0%		
Male	51.7%		
Transgender and other	2.4%		

We gratefully acknowledge the funding support provided by the United Way of King County.

THIS REPORT WAS RESEARCHED AND WRITTEN BY:

Mike Rodriguez, Strategic Research Associate, and

Teófilo Reyes, Reseach Director, Restaurant Opportunities Centers United.

RESTAURANT OPPORTUNITIES CENTERS UNITED WOULD LIKE TO THANK the many restaurant workers, restaurant owners, students, interns, and volunteers who devoted their time to conducting surveys, interviews, data analysis, and reviewing early drafts. In particular we would like to thank the following for their assistance in this project: Maria Francisca Torres, Isaac Sederbaum, Tiffany Lieu, Robert Reedy, Vernon Riggs, DC Chasse, Graham McEvily, Autumn Brown, Jeremy Price, David Meinert, David Louis Pierre, Monica Dimas, Andrew Kashyap, Socialist Alternative, SEIU 775, Unite Here Local 8, Casa Latina, The Alliance for a Just Society, and The Harry Bridges Center for Labor Studies, University of Washington. This report would not be possible without their support.

THIS REPORT SHOULD BE CITED AS:

Restaurant Opportunities Centers United, *Behind the Kitchen Door: The Highs and Lows of Seattle's Booming Restaurant Industry*, (New York, NY: ROC United, 2015).

Design by Quanci Design | [quancidesign.com](http://quancidesign.com)

© 2015 Restaurant Opportunities Centers United

- 1 Bureau of Labor Statistics, "Quarterly Census of Employment and Wages 2004-2014." Accessed October 15, 2015. Available at: <http://data.bls.gov/cew>.
- 2 Ibid.
- 3 US Census, "2012 Economic Census." Accessed October 15, 2015. Available at <http://www.census.gov/econ/>.
- 4 Business license data accessed from the City of Seattle at <http://www.seattle.gov/licenses/find-a-business>, historical business license data obtained through Webarchive at <https://web.archive.org/web/20140321225147/http://www.seattle.gov/licenses/find-a-business>.
- 5 Bureau of Labor Statistics, Current Employment Statistics, 2005-2014. Available at <http://www.bls.gov/ces>.
- 6 Ibid. Estimate uses 6.5% sales tax for the state and 3% for the city.
- 7 Bureau of Labor Statistics, "Quarterly Census of Employment and Wages 2004-2014." Accessed October 15, 2015. Available at: <http://data.bls.gov/cew>.
- 8 Ibid.
- 9 US Census, North American Industry Classification System, 2015.
- 10 ROC United analysis of American Community Survey (2010-2013) for King County, WA (2010-2013). Ruggles, Steven, Alexander J. Trent, Genadek Katie, Goeken Ronald, Schroeder Matthew B., and Soebek Matthew, *Integrated Public Use Microdata Series: Version 5.0 [Machine-readable database]*, (Minneapolis: Minnesota Population Center, 2010).
- 11 Ibid.
- 12 Ibid.
- 13 Ibid.
- 14 Ibid.
- 15 Bureau of Labor Statistics, Occupational Employment Statistics, 2014. Accessed October 15, 2015. Available at <http://www.bls.gov/oes>.
- 16 United States Department of Labor Employment & Training Administration, "Lower Living Standard Income Level (LLSIL) Guideline." Accessed October 2, 2015, [http://www.doleta.gov/llsil/2015/LLSIL\\_2015\\_FRN.pdf](http://www.doleta.gov/llsil/2015/LLSIL_2015_FRN.pdf).
- 17 Livable wage is calculated using the Economic Policy Institute's (EPI) Basic Family Budget Calculator for a family of three in Seattle, Accessed October 2, 2015, <http://www.epi.org/resources/budget/>.
- 18 Business license data accessed from the City of Seattle at <http://www.seattle.gov/licenses/find-a-business>, historical business license data obtained through Webarchive at <https://web.archive.org/web/20140321225147/http://www.seattle.gov/licenses/find-a-business>.
- 19 Steward, Jeanine. "Apocalypse Not: \$15 and the cuts that never came." *Puget Sound Business Journal* (October 2015). Accessed October 23, 2015. <http://www.bizjournals.com/seattle/print-edition/2015/10/23/apocalypse-not-15-and-the-cuts-that-never-came.html>.
- 20 Bolton, Megan, Elina Bravve, Emily Miller, Sheila Crowley, Ellen Errico. "Out of Reach 2015: America's Forgotten Housing Crisis." *National Low Income Housing Coalition* (2012): 1-264. Accessed October 15, 2015. [http://nlihc.org/sites/default/files/oor/OOR\\_2015\\_FULLL.pdf](http://nlihc.org/sites/default/files/oor/OOR_2015_FULLL.pdf).
- 21 Ibid.
- 22 Seattle Paid Sick and Safe Time Ordinance Accessed October 15, 2015. Available at: <http://www.seattle.gov/civilrights/labor-standards/paid-sick-and-safe-time>.
- 23 Ibid.



# Behind the Kitchen Door:

The Highs and Lows of Seattle's  
Booming Restaurant Economy



**ROC United**  
275 7th Ave, Suite 1703  
New York, NY 10001  
212-343-1771  
[rocunited.org](http://rocunited.org)



**ROC Seattle**  
1402 Third Avenue, Suite 201  
Seattle, WA 98101  
206-369-9995  
[rocunited.org/seattle](http://rocunited.org/seattle)