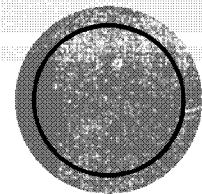


WORKING CONDITIONS IN THE NORTHAMPTON RESTAURANT INDUSTRY

A Presentation to the Northampton City Council

Committee on Community Resources

March 21, 2016



OVERVIEW:

- Northampton, with a total population of approximately 28,000, is home to roughly 100 restaurants employing over 1,500 people.
- These restaurants generate approximately \$7,675,500 in annual sales and are an key economic driver for the community.
- Despite the importance of the restaurant industry to the community, there has been little attention paid to working conditions in the industry.
- Between Spring 2014 and Spring 2016, the UMass Amherst Labor Center in Collaboration with the Pioneer Valley Workers Center conducted over 200 surveys with restaurant workers and completed another 22 in-depth interviews.
- Our findings many restaurants in Northampton, similar to those across the nation, are creating and sustaining a low-wage industry where workers enjoy few benefits and rights on the job. Our survey reveals that many of the jobs created by the restaurant industry fail to support workers, their families and our communities at large.
- We conclude with an overview of policy recommendations.



METHODOLOGY:

- **Surveys:** A total of 235 face-to-face surveys were conducted with workers in 85 unique restaurants between March 2013-January 2016. The survey included about 100 questions and took approximately 20 minutes to complete.
- **Interviews:** Data from the survey was supplemented with in-depth interviews conducted by Adam Reid in 2015-2016. These interviews lasted roughly an hour and included a range of questions about working conditions and the experience of restaurant work. The interviews were transcribed.
- **Government Data:** Data from the American Community Survey, the Economic Census and the Bureau of Labor Statistics was analyzed to provide a bigger picture of the restaurant industry in the Pioneer Valley.



RESTAURANT WORKERS IN THE PIONEER VALLEY

	Restaurant Workers	All Other		Restaurant	All Other
GENDER			PLACE OF BIRTH		
Male	42.4%	48.7%	U.S.	89.6%	86.7%
Female	57.1%	51.3%	Latin America	3.2%	4.0%
SERVERS			Europe	3.2%	3.0%
Male	17.0%		Asia	2.9%	5.4%
Female	83.0%		Africa	0.6%	0.5%
AGE			Other	0.4%	0.3%
16-24	44.9%	16.2%	YEARS IN THE U.S.		
25-44	36.6%	36.5%	Born in the US	83.50%	85.20%
45-64	16.7%	41.9%	0-5 years	2.70%	2.20%
65 and older	1.8%	5.4%	6-10 years	3.90%	2.00%
RACE/ETHNICITY			11-15 years	3.00%	1.60%
White	75.6%	79.1%	16-20 years	2.20%	1.90%
Black	4.3%	5.7%	21 or more	4.70%	6.40%
Asian	4.6%	2.7%	ABILITY TO SPEAK ENGLISH		
Latino	13.1%	10.9%	Speaks only English	79.9%	84.5%
Other	2.4%	1.4%	Speaks very well	10.9%	10.3%
NATIVITY			Speaks well	5.0%	2.8%
Citizen	92.6%	95.2%	Speaks, but not well	3.3%	1.9%
Not a Citizen	7.4%	4.8%	Does not speak English	0.9%	0.5%
			EDUCATION		
			Less than a high school degree	17.8%	8.2%
			High School Degree	31.0%	24.3%
			Some college	38.7%	34.5%
			Bachelor's degree and higher	12.5%	33.0%

Source: American Community Survey (2010-2015), 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).



AVERAGE AND MEDIAN WAGES FOR RESTAURANT OCCUPATIONS IN SPRINGFIELD-METRO AREA, 2014

Occupation(Code)	Hourly Mean Wage	Annual Mean Wage	Hourly Median Wage	Annual Median Wage
All Occupations (000000)	\$22.96	\$47,760	\$18.42	\$38,320
Food Preparation and Serving Occupations (350000)	\$10.95	\$22,780	\$9.41	\$19,570
Chefs and Head Cooks(351011)	\$29.21	\$60,750	\$23.42	\$48,710
First-Line Supervisors of Food Preparation and Serving Workers(351012)	\$15.84	\$32,940	\$14.98	\$31,150
Cooks, Fast Food(352011)	\$10.80	\$22,460	\$9.47	\$19,700
Cooks, Institution and Cafeteria(352012)	\$14.86	\$30,920	\$14.14	\$29,410
Cooks, Restaurant(352014)	\$12.26	\$25,510	\$11.77	\$24,470
Cooks, Short Order(352015)	\$13.14	\$27,330	\$12.62	\$26,250
Food Preparation Workers(352021)	\$10.59	\$22,020	\$9.88	\$20,550
Bartenders(353011)	\$9.85	\$20,480	\$9.13	\$18,990
Combined Food Preparation and Serving Workers, Including Fast Food(353021)	\$9.49	\$19,740	\$9.06	\$18,840
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop(353022)	\$10.19	\$21,190	\$9.55	\$19,870
Waiters and Waitresses(353031)	\$10.21	\$21,230	\$9.15	\$19,020
Food Servers, Nonrestaurant(353041)	\$10.81	\$22,490	\$10.05	\$20,900
Dining Room and Cafeteria Attendants and Bartender Helpers(359011)	\$10.33	\$21,490	\$9.54	\$19,840
Dishwashers(359021)	\$9.63	\$20,020	\$9.31	\$19,370
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop(359031)	\$10.06	\$20,920	\$9.39	\$19,540
Food Preparation and Serving Related Workers, All Other(359099)	\$11.28	\$23,470	\$10.21	\$21,240

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



SURVEY RESPONDENTS

Age	# of respondents
25 and Under	95
26-35	85
36-45	45
46-55	8
Over 55	2

Style	# of respondents
Fine dining	32
Family Style	80
Quick Service	108
Other	15

Gender	# of respondents
Male	95
Women	140

Race	# of respondents
White	185
Black	5
Latino	35
Asian	8
Other	-



WAGES AND HOURS

“I would wish that employers pay their workers a consistent living wage instead of having a tip jar out in front and expecting customers to subsidize their worker's wages for them.” Jack, 25

- Across all job categories workers we talked to reported working 32 hours per week and bringing home an average of \$380.
- In total we found that 78% of the workers surveyed made less than a living hourly wage (\$13.18).
- Some back-of-the-house workers reported being paid a flat weekly rate that resulted sub-minimum wages per hour



BENEFITS

“We don’t have medical, we don’t have 401K, we don’t have a pension, we don’t have anything that takes care of us or a safety net. We have to make sure that there’s a nest egg somehow. Or that we take care of ourselves. And a lot of people in the service industry live paycheck to paycheck, so its scary. If I get sick I still have to work. If I get hurt I still have to work. I can’t afford to take time off in order to...you know? And that’s just not fair to people.” Derrick, 34

Job Benefits Reported in the Northampton restaurant worker survey	
94%	Do not receive health insurance from employer
95%	Do not get paid sick days
95%	Do not get paid vacation days
80%	Have worked when sick



WAGE THEFT: COMMON SCENARIOS

- Employers fail to pay all or part of a worker's wages.
- Employers do not pay legally required overtime wages.
- Employees are not compensated for work they are required to do before their shifts officially begins or after they end.
- Employers pay less than the minimum wage.
- Employers pay tipped workers the tipped minimum wage even when a substantial portion of their job (>20%) is engaged in activities that do not generate tips.

Wage Theft Reported by Northampton Restaurant Workers	
65%	Never received overtime pay
22%	Worked off the clock without pay Past 12 months



HEALTH & SAFETY

▪ *“When I worked there we used ovens to make steak using carbon, that’s how we cooked the break, the temperature of the oven could burn you very easily. The heat can also fatigue you. I got burned three times working there, in a restaurant you need to forget you got burned, it relatively easy since your body is so hot. Restaurant work isn’t easy.” John, 22*

Health and Safety Reported in the Northampton Restaurant Workers’ Survey	
94%	Did not receive health and safety training from employer
56%	Been burned at work
66%	Been cut at work
78%	Performed multiple jobs at once
35%	Forced to perform tasks without proper training
27%	Forced to take actions that put their own safety at risk
24%	Forced to take actions that put the safety of customers at risk



DISCRIMINATION & ABUSE ON THE JOB

Discrimination and Abuse Reported in Northampton Restaurant	
30%	Experienced some sort of verbal harassment in the job
24%	Experienced sexual harassment in the job
20%	Disciplined more severely than others
51%	No ongoing job training by employer
72%	Never had an opportunity to apply for a better job
75%	Never received a promotion



POLICY RECOMMENDATIONS

- Strengthen enforcement of employment laws in the restaurant industry and make sure that violators are are penalized
- Enact policies that would help workers navigate the erratic scheduling at their jobs
- Support collective organizing for restaurant workers.
- Use opportunities to create public awareness and to enhance recognition for responsible employers.
- Implement a system for flagging those business to which the City issues permits that are “wage theft violators”-that is businesses that have been shown to be in violation of state or federal labor or employment laws in the last three years.

