

UCLA

Student Reports

Title

Building a Better Plate: Promoting Workplace Equity and Worker Satisfaction in the Los Angeles County Restaurant Industry

Permalink

<https://escholarship.org/uc/item/8q56q8sr>

Authors

Betancourt, Selene

Hunt, Molly

Kwong, Connie

et al.

Publication Date

2023-06-16



BUILDING A BETTER PLATE

Promoting Workplace Equity and Worker
Satisfaction in the Los Angeles County
Restaurant Industry

Selene Betancourt, Molly Hunt, Connie Kwong & Alma Lopez

UCLA Luskin School
of Public Affairs

Acknowledgments

We are grateful to the following individuals and organizations for their guidance and support:

- Dr. Kimberly Murtaugh, UCLA Luskin School of Public Affairs
- Dr. Helmut Anheier, UCLA Luskin School of Public Affairs
- Dr. Martin Gilens, UCLA Luskin School of Public Affairs
- Sylvie Gabriele, Regarding Her Food
- Anne McBride, James Beard Foundation
- Elizabeth Murray, Women in Hospitality United
- Kim Chen, Invisible Hand
- Sarah Ax, Invisible Hand
- Lewis Center for Regional Policy Studies, UCLA
- Restaurant Opportunities Center of Los Angeles
- One Fair Wage
- Evan Kleiman, KCRW Good Food
- The Office of Los Angeles City Councilmember Hugo Soto-Martinez

This applied policy project was possible thanks to funding from the Lewis Center for Regional Policy Studies at UCLA and from the Department of Public Policy at the UCLA Luskin School of Public Affairs, in addition to a generous donation from the Dr. Michael Goldstein Family Foundation. We are especially grateful to the restaurant employees and operators who shared their stories with us by completing surveys and participating in interviews.

**JamesBeard
Foundation**

**RE*
HER**

*Women in
Hospitality
United*



This report was prepared in partial fulfillment of the requirements for the Master in Public Policy degree in the Department of Public Policy at the University of California, Los Angeles (UCLA). It was prepared at the direction of our client, the Movement to Organize for Restaurant Equity (MORE). The views expressed in this report belong to the authors and do not necessarily reflect those of the Department of Public Policy, the UCLA Luskin School of Public Affairs, UCLA as a whole, nor the client.

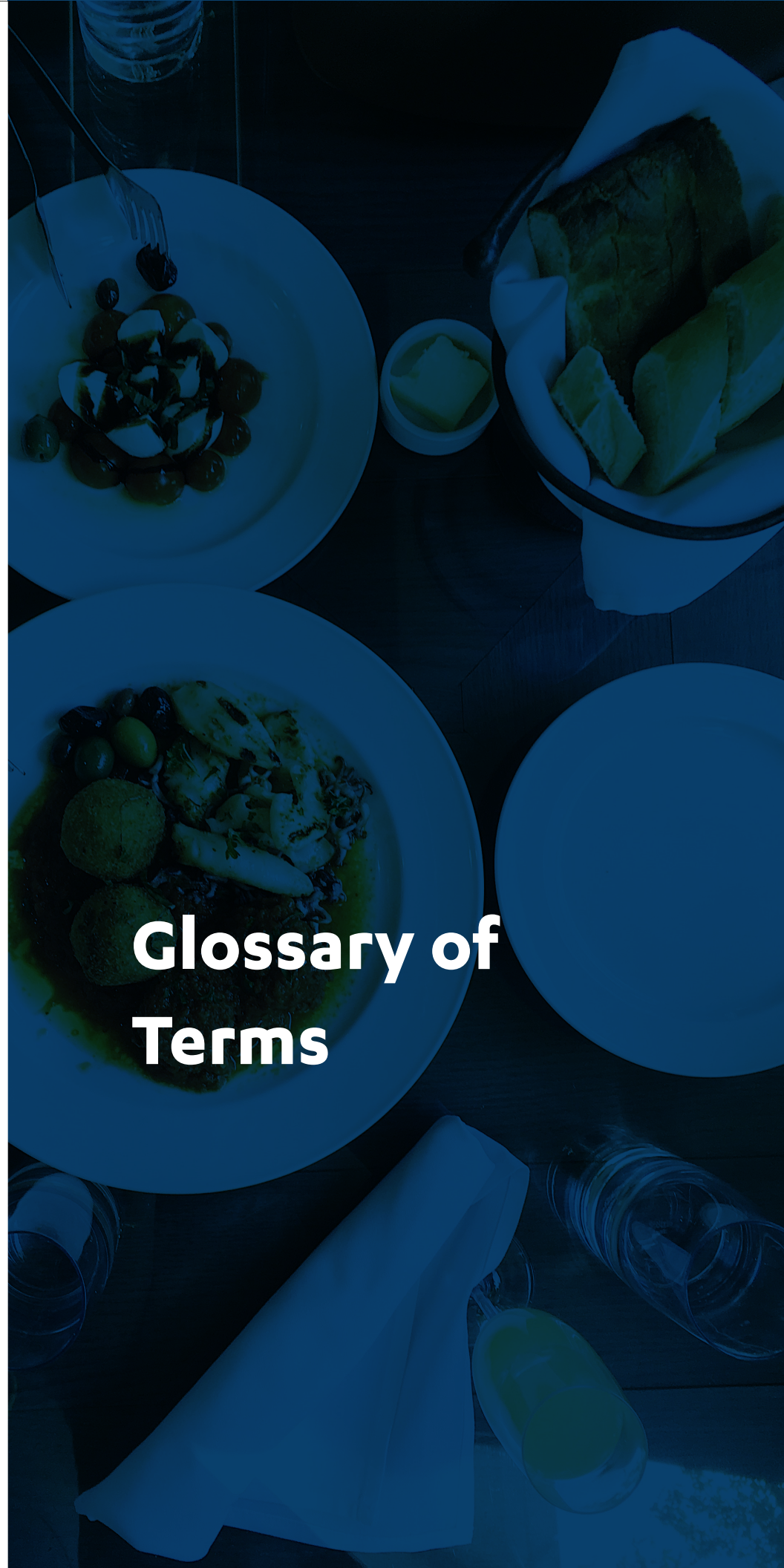
Cover Photo: [Jonathan Fornander](#)



Table of Contents

Glossary of Terms	4
Executive Summary	7
Chapter 1: Introduction	10
Chapter 2: Background	14
Chapter 3: Data Collection and Analysis Methodology	33
Chapter 4: Findings	41
Chapter 5: Criteria for Evaluation	62
Chapter 6: Policy Options and Evaluation	65
Chapter 7: Policy Recommendations	81
Chapter 8: Conclusion	89
References	91
Appendix	98

Photo left: [K8](#)



Glossary of Terms

Back-of-house: Areas of the restaurant that customers do not see, such as the kitchen. Customers do not interact with employees working in these areas. Back-of-house employees include chefs, cooks, dishwashers, expeditors, kitchen managers and any other employees that do not directly provide service to customers (Sommerville, 2007).

Chain of service: Employees are considered a part of the “chain of service” if their work “bears a relationship to the customers’ overall experience,” either directly (e.g., servers) or indirectly (e.g., dishwashers). California courts have held that all employees in the chain of service are eligible to participate in tip pools (California Department of Industrial Relations, n.d.-b).

Fair wage: A wage that is commensurate with the value of the labor or service provided (Law Insider).

Front-of-house: Areas of the restaurant that customers typically see, such as the dining room. Customers interact with the employees working in these areas. Front-of-house employees include bartenders, bussers, cashiers, hosts, managers, servers and any other employees that may directly provide service to customers (Sommerville, 2007).

Full-time: Any employee who works on average at least 30 hours per week or 130 hours per month is considered full-time per the Affordable Care Act (Internal Revenue Service, n.d.)

Livable wage: A wage that covers all necessary living expenses and basic needs.

Managerial employees: Employees who are considered “agents” of the employer and have the “authority to hire or discharge any employee or supervise, direct, or control the acts of employees” (Cal. Lab. Code § 350, n.d.). These employees are prohibited from participating in tip pools (California Department of Industrial Relations, n.d.-b).

Non-managerial employees: Employees who are not considered “agents” of the employer and fall under the definition of employee:

Every person, including minors and persons who are not citizens or nationals of the United States, rendering actual service in any business for an employer, whether gratuitously or for wages or pay, whether the wages or pay are measured by the standard of time, piece, task, commission, or other method of calculation, and whether the service is rendered on a commission, concessionaire, or other basis (Cal. Lab. Code § 350, n.d.).

Operator: Restaurateur; owner of the restaurant.

Service charge: “An amount that a patron is required to pay based on a contractual agreement or a specified required service amount listed on the menu of an establishment” (California Department of Industrial Relations, n.d.-b).

Service-inclusive menu pricing: Pricing of menu items to include the total cost of service. Service-inclusive menu pricing would eliminate voluntary tipping, as the expected tip amount would be accounted for in the price (Kleiman, 2016).

Tip/gratuity: “Money a customer leaves for an employee over the amount due for the goods sold or services rendered” (California Department of Industrial Relations, n.d.-b).

Wage disparity: Unequal wage distribution within the restaurant industry (between fellow restaurant workers); and unequal wage distribution across industries (between restaurant workers and workers in other industries) (U.S. Department of Labor, n.d.-a).

Wage theft: A crime in which employers fail to pay workers earned wages or benefits according to the law. Some examples of wage theft include paying less than the hourly minimum wage, not paying overtime, denying meal and rest breaks, taking workers’ tips, and prohibiting workers from accruing or using paid sick leave (California Department of Industrial Relations, n.d.-a, n.d.-c).

Worker satisfaction: A worker’s positive attitude toward their job, compensation, and benefits.

Workplace equity: Achieving workplace equity means all workers receive fair pay and that all workers benefit from the laws and policies intended to protect them. Workplace equity ensures all workers can access the services and protections entitled to them (Hackett, 2023).



Executive Summary



Photo: [Adrien Olichon](#)

The COVID-19 pandemic placed a spotlight on the restaurant industry by highlighting poor working conditions, increased employee turnover, wage inequity, and inadequate access to employer-sponsored health insurance, paid sick leave, and paid family leave. These issues have long afflicted restaurant workers, who disproportionately belong to marginalized groups including women and racial and ethnic minorities. While restaurants employ 5.2% of the United States workforce, they struggle to provide adequate wages and benefits, retain workers, and remain financially stable (Ruggles, Steven et al., 2022).¹

In partnership with the Movement to Organize for Restaurant Equity (MORE), we sought to investigate these issues and **identify policies to improve workplace equity and job satisfaction while maintaining restaurants' financial stability**. We focused on Los Angeles County (LAC) as a case study, given its status as a progressive policy leader, major dining destination, and racially and socioeconomically diverse hub. We surveyed and interviewed restaurant operators and workers to better understand the LAC restaurant industry. We learned that operators wish to offer better pay and benefits to their employees, but often lack the financial resources to do so. The post-pandemic landscape has created challenges in recruiting and retaining employees. At the same time, workers struggle to keep up with LAC's high cost of living and nationwide inflation.

Considering these findings, we identified seven potential policy options to help restaurant operators fund increased wages and/or benefits for their employees. We evaluated these policy options to determine which can best promote equity and employee satisfaction while remaining economically and politically feasible. We recommend five policy options that meet these criteria:

¹ Ruggles, Steven, Flood, Sarah, Goeken, Ronald, Schouweiler, Megan, and Sobek, Matthew. 2022. "IPUMS USA: Version 12.0 [Dataset]." Minneapolis, MN. <https://doi.org/10.18128/D010.V12.0>.

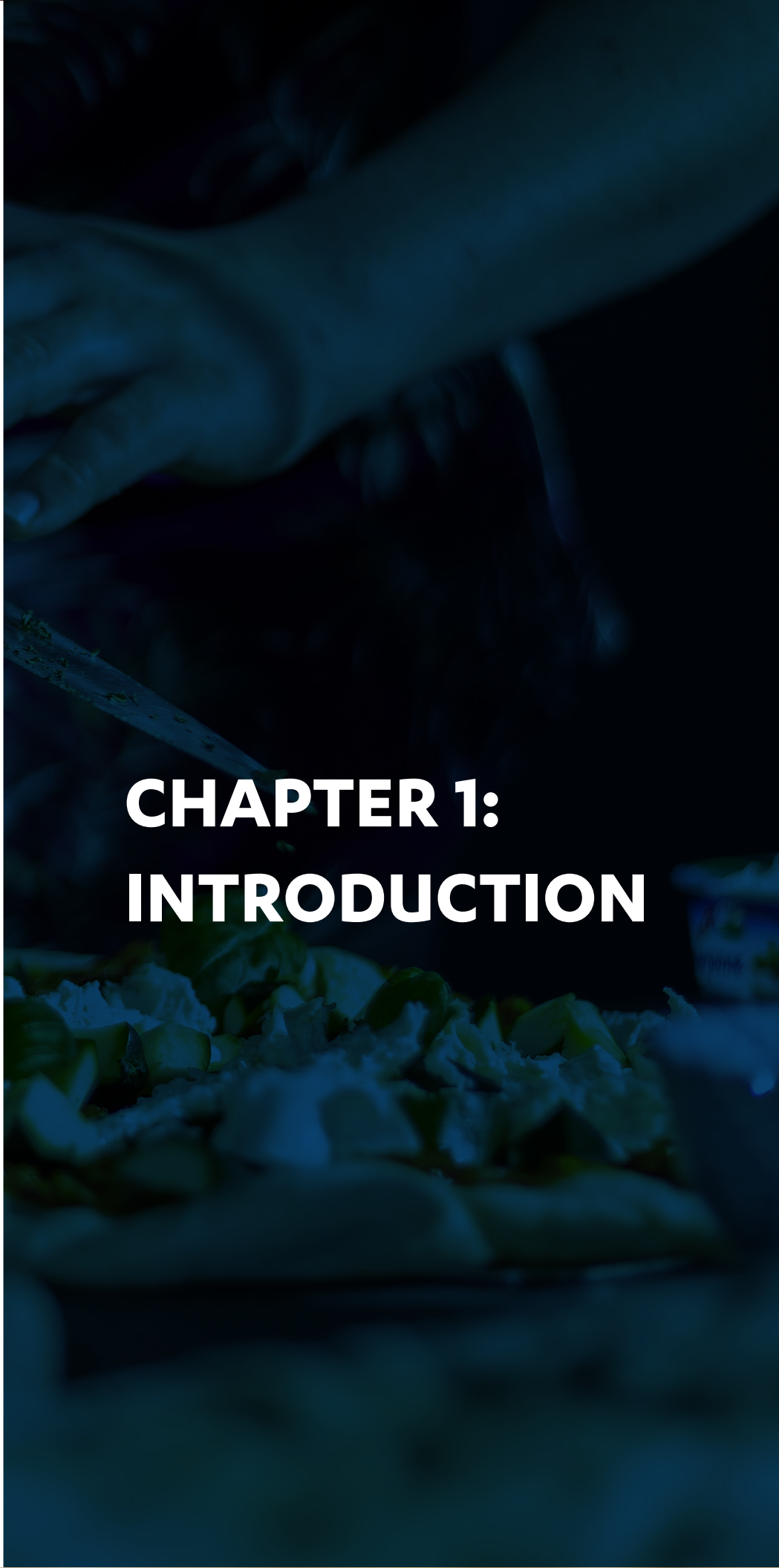
Chapter Photo: [Francesco La Corte](#)

BUILDING A BETTER PLATE

- Replace tipping with an automatic gratuity;
- Replace tipping with service-inclusive menu pricing;
- Maintain tipping while supplementing employee wages through increased menu prices;
- Maintain tipping while supplementing employee benefits through a service charge;
- Increase menu prices to supplement employee benefits.

We also emphasize six benefits preferred by employees which operators should prioritize when deciding what to provide: paid time off, health insurance, paid sick leave, retirement benefits, paid family leave, and mental healthcare services.

We additionally make **policy recommendations for MORE to implement directly or incorporate into their advocacy efforts**. This includes producing guidelines for operators to create equitable tip pooling or sharing structures, and advocating for legislation that expands paid sick leave for California workers.



CHAPTER 1: INTRODUCTION

Client

The **Movement to Organize for Restaurant Equity (MORE)** is a newly formed intersectional, women-led consortium founded by three nonprofit organizations: Women in Hospitality United (WiHU), Regarding Her (RE:Her), and the James Beard Foundation (JBF). WiHU provides community-building, training, advocacy, and support for women working in the hospitality sector. RE:Her seeks to advance women-identifying and nonbinary food and beverage entrepreneurs. JBF celebrates the culinary arts by providing industry and community-focused initiatives and programs, advocacy, partnerships, and events.

MORE was formed because of the organizations' shared values of social justice, equity, and diversity of expertise within the hospitality sector. Their mission is to improve working conditions in the hospitality sector by prioritizing worker care and protection, and removing barriers to opportunity for all stakeholders, especially women, Black, Indigenous, and People of Color (BIPOC), and historically underrepresented populations. To achieve this, MORE aspires to provide collective solutions that provide opportunities for individual empowerment, organizational support, and policy change.

In collaboration with MORE, we developed a policy analysis project centered on three key issues of interest to the client affecting restaurant industry workers: wage equity, access to benefits, and worker satisfaction and retention. Our project focuses specifically on the LAC restaurant industry. Within this report, we review current issues affecting the restaurant industry, summarize our research, and suggest equity-oriented next steps for operators, policymakers, and MORE. Although no set of policies will address all existing problems within the restaurant industry, our work contributes to a critically important conversation regarding restaurant working conditions. We hope to meaningfully inform our clients' efforts in developing collective solutions and legislative advocacy campaigns to improve the lives of restaurant workers everywhere.

Problem Identification

In 2021, the restaurant industry comprised approximately 5.2% of the United States (US) civilian labor force, with an estimated 8.7 million workers (Ruggles, Steven et al., 2022).² The National Restaurant Association estimated \$799 billion in total food service industry sales in 2021, forecasted to reach \$898 billion in 2022 (National Restaurant Association, 2022). Despite the industry's scale, restaurant workers often lack adequate protection, support, and resources. Restaurant workers earn considerably lower wages than demographically similar workers in other industries and are much less likely to receive benefits such as health insurance, paid leave, or pensions. Demographic groups that make less on average (e.g., women, immigrants, those without a bachelor's degree, racial and ethnic minorities, and young workers) are overrepresented in low-wage restaurant work (Shierholz, 2014). Restaurant workers often face occupational health and safety hazards (Lippert et al., 2020). Addressing such pronounced inequities within the restaurant industry is long overdue.

The COVID-19 pandemic exacerbated high worker turnover and underscored the consequences of poor working conditions and inadequate benefits. A 2022 COVID-19 impact report by Restaurant Opportunities Centers United highlighted problems workers currently face in the restaurant industry: inadequate access to paid sick or family leave, loss of employer-sponsored health insurance, fear of COVID-19 exposure, increased occupational stress, lack of staff, and uncertainty of returning to work in the restaurant industry (Restaurant Opportunities Centers United, 2022). Employers agree that recruitment and retention is a persistent issue, with 70% reporting they do not have sufficient staff to meet their restaurants' demand (National Restaurant Association, 2022). With high competition between restaurants for the same workforce and high turnover rates for employees, the current post-COVID-19 restaurant industry landscape is not sustainable.

2 The US civilian labor force is defined as all non-institutionalized workers aged 16 or older in the US in non-military occupations who are employed or seeking work (US Census Bureau, n.d.). The count of US restaurant workers is the subset of the US civilian labor force working in restaurants and other food services (IPUMS USA, n.d.). See Appendix 9 Restaurant Worker Data Summary, Los Angeles County" for a full description of how the sample of restaurant workers was identified.

LAC is the second-largest metropolitan area in the US, a major dining destination, leader in progressive policy, and home to a racially and socioeconomically diverse population facing a high cost of living. This makes it an ideal case study for developing groundbreaking policies that can be adapted at the local, state, or federal level to achieve economic justice for all workers. Improving worker retention, promoting restaurants' financial sustainability, and ensuring adequate compensation and benefits for all employees should be priorities in promoting equity within the industry and contributing to sustainable economies.

Problem Importance

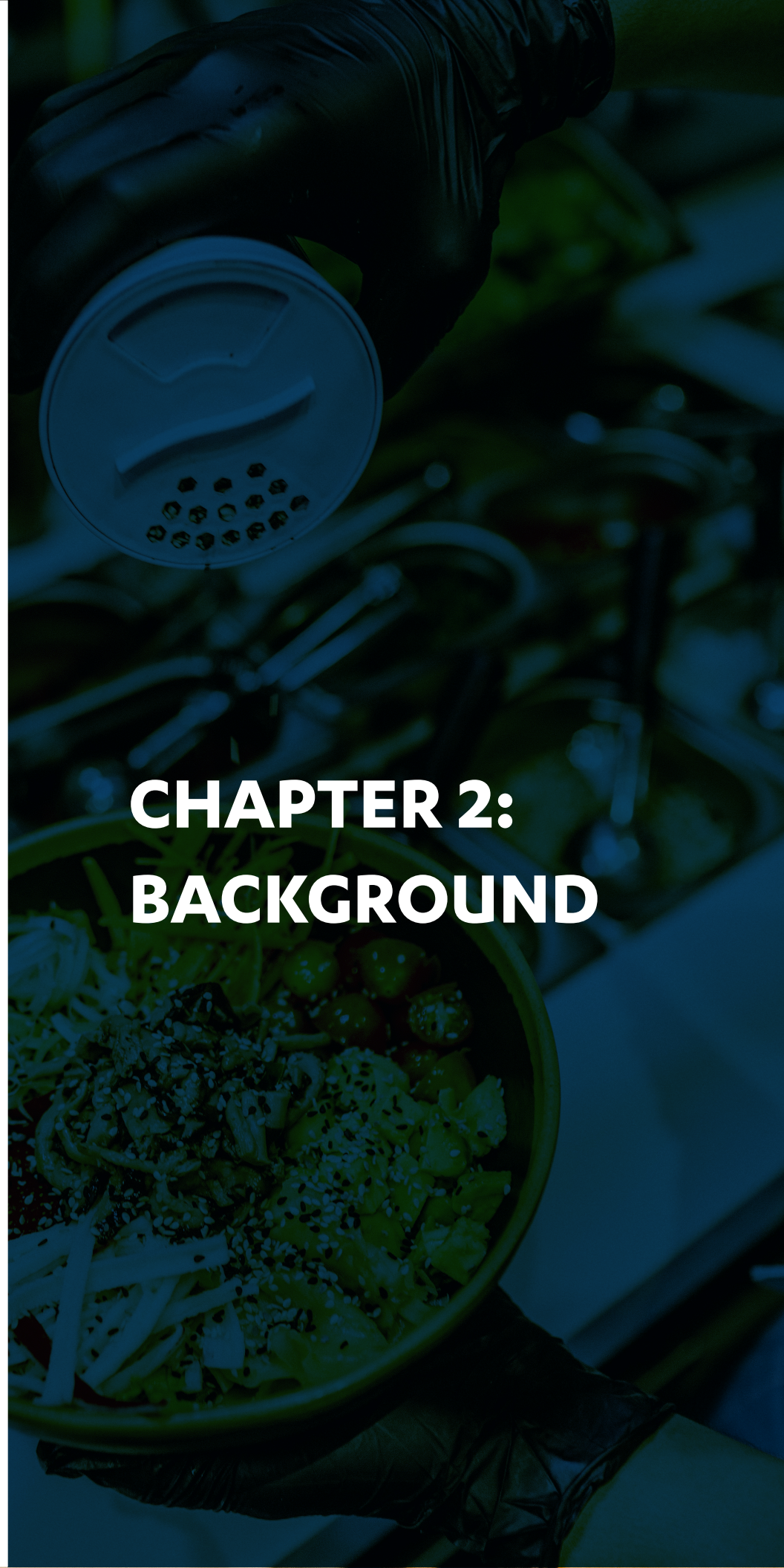
To achieve more equitable worker compensation models in the restaurant industry, the following key challenges must be addressed:

- Reliance on tips can create uncertainty and instability around pay for restaurant workers. Tipping can also contribute to intra-restaurant pay inequity between front-of-house and back-of-house workers.
- Restaurant workers often tolerate financial instability due to irregular schedules, and the industry's reliance on part-time positions excludes many workers from qualifying for benefits.
- The price-sensitivity of the dining public affects what practices operators may be willing to implement with respect to tipping, menu pricing, and additional surcharges.

Policy Question

In the LAC restaurant industry, what policies can improve workplace equity and job satisfaction, while maintaining restaurants' financial stability?

We define workplace equity as ensuring that all workers receive fair pay and that all workers benefit from the laws and policies intended to protect them. Workplace equity ensures all workers can access the services and protections entitled to them (Hackett, 2023). We define worker satisfaction as a worker's positive attitude toward their job, compensation, and benefits. When workers are more satisfied, they are more likely to stay at their job for longer which helps reduce worker turnover and ultimately saves the restaurant money and time spent training new employees. While worker satisfaction can include more than monetary considerations, this report focuses on pay and benefit-related policies.



CHAPTER 2: BACKGROUND

Restaurant Worker Demographics: Vulnerable and Historically Marginalized Groups

The US restaurant industry disproportionately employs workers belonging to vulnerable or historically marginalized groups. Table 1 highlights several key demographic differences between restaurant employees and employees in other US industries. While 46.8% of the rest of the US workforce identifies as female, the majority (53.6%) of restaurant workers are female. Workers of color are also overrepresented in restaurants, with 26.0% identifying as Hispanic (compared to 17.9% outside of restaurants) and 12.9% as Black (compared to 11.7% outside of restaurants).

Table 1

Demographic Characteristics of Restaurant and Non-Restaurant Workers, United States, 2020

		Restaurant Industry	Outside Restaurant Industry
Gender	Male	46.45%	53.23%
	Female	53.55%	46.77%
Race	White	50.95%	61.28%
	Hispanic	26.03%	17.86%
	Black	12.89%	11.67%
	Asian or Pacific Islander	6.12%	6.25%
	Other race	4.01%	2.94%
Citizenship	Citizen	86.85%	94.18%
	Not a citizen	13.15%	8.82%

		Restaurant Industry	Outside Restaurant Industry
Age	16–24	44.35%	13.35%
	25–34	24.74%	24.53%
	35–44	14.37%	21.04%
	45–54	9.53%	19.94%
	55–65	5.55%	16.07%
	65 and up	1.46%	5.07%
Education	Not a high school graduate	23.68%	9.05%
	High school graduate/GED	32.58%	24.74%
	Some college	34.49%	32.05%
	Bachelor’s degree	8.1%	22.19%
	Graduate degree	1.16%	10.97%

Source: Steven Ruggles, Sarah Flood, Matthew Sobek, Danika Brockman, Grace Cooper, Stephanie Richards, and Megan Schouweiler. IPUMS USA: Version 13.0 [dataset]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V13.0>

The overrepresentation of workers of color in an industry reliant on tipping is not surprising given the history of tipped work in the US. Following the Civil War, tipping practices expanded within hospitality industries as formerly enslaved Black men and women joined the paid labor force. These tipping practices, in place of wages, allowed for a new form of labor exploitation of Black workers that persists today (Shriver Center on Poverty Law, 2019). Table 2 shows that Black restaurant workers remain disproportionately affected by poverty. Around 24% of Black restaurant workers face poverty, compared to 16.6% of white restaurant workers and 10.8% of Black non-restaurant workers. These disparities are due to both structural and interpersonal racism. Occupational segregation refers to “the disproportionate rates of representation of race, ethnic and/or gender-based groups in different job titles,” and occupational segregation by race in the restaurant industry is most pronounced for Black and Latinx workers (Restaurant Opportunities Centers United, 2015). Furthermore, studies show that Black restaurant employees receive lower pay than their white counterparts due to customers’ discriminatory tipping practices (Brewster & Lynn, 2014).

Table 2

Poverty Rates of Restaurant Workers Versus Other Workers, Overall and by Demographic Group, United States, 2020

		Poverty rate of restaurant workers	Poverty rate of workers outside restaurant industry	Twice poverty rate of restaurant workers	Twice poverty rate of workers outside restaurant industry
Overall		17.36%	6.58%	85.08%	39.72%
Gender	Male	14.25%	5.45%	38.99%	18.02%
	Female	20.06%	7.87%	45.62%	21.95%
Race	White	16.57%	5.05%	38.19%	14.84%
	Black	24.1%	10.84%	53.95%	30.56%
	Asian or Pacific Islander	13.66%	5.23%	37.02%	14.75%
	Hispanic	16.26%	9.09%	46.81%	31.18%
	Other race	18.53%	9.18%	41.8%	24.09%
Citizenship	Citizen	17.43%	6.16%	41.25%	18.4%
	Not a citizen	16.9%	10.94%	51.07%	34.92%
Age	16–24	20.27%	17.06%	41.96%	35.9%
	25–34	16.92%	7.17%	45.71%	22.83%
	35–44	16.31%	5.8%	45.59%	20.04%
	45–54	12.02%	3.77%	39.15%	14.36%
	55–65	11.2%	2.98%	35.66%	11.85%

		Poverty rate of restaurant workers	Poverty rate of workers outside restaurant industry	Twice poverty rate of restaurant workers	Twice poverty rate of workers outside restaurant industry
Education	Not a high school graduate	17.42%	12.83%	44.61%	39.15%
	High school graduate/ GED	17.38%	8%	44.89%	26.08%
	Some college	19.14%	7.85%	42.22%	21.78%
	Bachelor's degree	10.41%	2.93%	30.16%	9.14%
	Graduate degree	11.26%	1.76%	30.05%	5.41%

Source: Steven Ruggles, Sarah Flood, Matthew Sobek, Danika Brockman, Grace Cooper, Stephanie Richards, and Megan Schouweiler. IPUMS USA: Version 13.0 [dataset]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V13.0>

A 2015 report by Restaurant Opportunities Centers United also demonstrates how gender exacerbates these racial disparities. In California, women of color earned on average 71% the wage of white male restaurant employees. This is partly due to the employment of female workers and workers of color primarily in lower paying sectors of the restaurant industry, such as fast-food restaurants, and in lower paying occupations, such as kitchen positions (Restaurant Opportunities Centers United, 2015).

Non-citizen workers are also overrepresented in the restaurant industry, making up 13.2% of the US restaurant workforce, compared to 8.8% of workers in other industries.

Restaurant Worker Pay: Wages, Tipping, and Service Charges

Low Wages

Restaurant occupations often pay low wages and low wages are associated with low job satisfaction among restaurant workers. A 2003 study asked restaurant workers to rank on a five-point Likert scale their level of satisfaction with various aspects of their job. Workers ranked compensation the lowest of the examined items (Hancer & George, 2003). Table 3 summarizes estimates of median hourly wage and annual earnings for full-time employment (40 hours a week) across different restaurant occupations. These estimates are based on pre-tax wage and salary income and include wages, salaries, commissions, cash bonuses, tips, and other monetary income received from employers. The lowest-paid occupations are cashiers, and the highest-paid occupations are managers.

Table 3

Median Real Hourly Wages, Restaurant Industry Workers versus Other Workers, Overall and by Demographic Group, United States, 2020

	Share of restaurant workers	Median hourly wage	Estimated median annual earnings (full-time)
Barbacks, Bussers, and Food Runners	2.4%	\$9.53	\$19822
Bartenders	3%	\$15.51	\$32261
Cashiers	9.9%	\$8.85	\$18408
Chefs and Head Cooks	3.8%	\$14.57	\$30306
Cooks	20.2%	\$10.37	\$21570
Dishwashers	3.3%	\$9.32	\$19386
Fast Food And Counter Workers	6%	\$9.16	\$19053
First-Line Supervisors of Food Preparation and Serving Workers	5%	\$12.26	\$25501

	Share of restaurant workers	Median hourly wage	Estimated median annual earnings (full-time)
Food Preparation Workers	8.5%	\$9.82	\$20426
Food Service Managers	10.6%	\$16.72	\$34778
Hosts and Hostesses, Restaurant, Lounge, and Coffee Shop	3.5%	\$8.92	\$18554
Servers	24%	\$11.56	\$24045

Source: Steven Ruggles, Sarah Flood, Matthew Sobek, Danika Brockman, Grace Cooper, Stephanie Richards, and Megan Schouweiler. IPUMS USA: Version 13.0 [dataset]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V13.0>

A common explanation for the prevalence of low hourly wages in restaurant work is that tipping supplements workers’ pay. However, as shown in Table 2, in 2020, poverty rates and twice-poverty rates (defined as living below 200% of the federal poverty line) among US restaurant workers were substantially higher than that of workers outside of the restaurant industry, both overall and within demographic groups. This suggests that even with tipping, most restaurant workers do not earn livable wages. A recent national survey study found that since the COVID-19 pandemic, 75% of restaurant workers reported receiving decreased wages. The lead reason for wanting to leave the industry was that wages and tips were too low, with 76% of workers citing this. The study also found that 78% of workers would stay in the industry if they received a full, livable wage with tips (One Fair Wage & UC Berkeley Food Labor Research Center, 2021b).

Tipping

In the US, the norm is that restaurant customers leave a voluntary tip of at least 15% of the restaurant bill. Operators often maintain tipping practices so that they can offer lower menu prices to maintain or increase demand (Lynn, 2017). Although the current federal minimum wage is \$7.25 an hour, the federal tipped minimum wage is \$2.13 an hour. Therefore, under federal law, employers are allowed to pay tipped employees a subminimum hourly wage so long as tips can supplement the gap to the minimum wage. Because employers still have a legal obligation to satisfy minimum wage requirements, they can claim tip credits. This is the amount of an employee’s tips that can be credited

toward their hourly wage to reach \$7.25. The maximum tip credit an employer can claim is \$5.12 an hour, which is the tipped minimum wage (\$2.13) subtracted from the minimum wage (\$7.25). If, including tips, an employee still earns less than the minimum wage, the employer must pay the difference needed to reach \$7.25 an hour. Regardless of the amount of tip credit claimed by an employer, all tips are considered property of the employee (U.S. Department of Labor, n.d.-b).

Under the traditional “direct tipping” model, front-of-house workers (e.g. servers) are tipped and receive lower hourly wages, while back-of-house workers (e.g. cooks) receive higher hourly wages and do not receive tips (Batt et al., 2014). However, restaurants that pay at least the minimum wage may practice a variety of tip distribution structures to boost wages across different restaurant staff (Eisenberg & Williams, 2015). California is one of seven states that has eliminated the tip credit and requires employers to pay tipped employees the full state minimum wage before tips (U.S. Department of Labor, 2023a).

California Labor Code Section 351 has been interpreted to allow employers to institute involuntary tip pooling “so long as the tips are not used to compensate the owner(s), manager(s), or supervisor(s)” of the restaurant (California Department of Industrial Relations, n.d.-b). Under California law, tip pooling refers to all tip sharing schemes, but in practice a tip pool differs slightly from a tip share, and both may be used simultaneously. Under tip pooling, tips received by directly tipped staff are collected into a tip pool and redistributed equally amongst tipped staff. Under tip sharing, directly tipped employees (e.g., servers) “tip out” or share a percentage of their tips with staff that contributed to the chain of service (e.g., bartenders, hosts, cooks) (WebstaurantStore, 2023).

Despite its normalized practice, tipping is a contentious issue for both restaurant workers and customers. One study found that customers discriminate against Black servers by tipping them less than white coworkers, suggesting that tipping can reproduce existing racial economic inequities and is limited in its ability to “top up” workers’ wages (Brewster & Lynn, 2014). At the same time, employees’ preferences regarding optimal tip structures are not monolithic. One study examined employee preferences for tip-related schemes, including tip pooling, keeping own tips, service charges, and service charge with a guaranteed percentage kept by servers and a guaranteed monthly minimum wage. It found that tip pooling ranked lowest for fairness and distributive justice, while service charge with guaranteed percentage and minimum wage ranked highest (Namasivayam & Upneja, 2007). Another study found that the least popular compensation system was subminimum wage plus tips, and the most popular compensation system was regular minimum wage plus tips (Lynn, 2017). This is further complicated by variation in how

restaurants decide which employees are eligible to participate in the tip pool. Recent updates to the Fair Labor Standards Act (FLSA) allow non-tipped employees, such as back-of-house workers, to participate in tip pools if the employer pays the full minimum wage and does not use tip credits (U.S. Department of Labor, n.d.-c).

Consequently, tipping can exacerbate pay disparities such that front-of-house workers are overpaid relative to back-of-house workers (Lynn, 2017). Moreover, one study found that on average, restaurants received lower online ratings after replacing tipping with service charges or service-inclusive-pricing, with less expensive restaurants experiencing greater declines in ratings than more expensive restaurants (Lynn & Brewster, 2018).

Service Charges

Restaurants can levy service charges or surcharges on customers' bills. Tipping, where customers can choose how much to pay, is typically considered optional while most service charges, which are automatically added to customers' bills, are considered mandatory. While gratuity or tips are the property of the employee, service charges are not considered gratuity and legally belong to the employer. Historically, service charges have commonly been used for large parties or catered events. More recently, many restaurants have started implementing mandatory service charges (which have ranged anywhere from 3%-20%) to either be considered automatic gratuity for the employee or help pay for business expenses including employee wages, employee benefits, and general operating expenses (Molla, 2022). Restaurants must notify customers of mandatory service charges on menus or other printed materials (California Department of Tax and Fee Administration, 2018).

There currently is very little oversight or transparency requirements to ensure that service charges are being used towards the expenses the employer claims to use them for (Molla 2022). Additionally, service charges can be confusing to customers who may think the service charges are gratuity for the employee. Customers may not tip or tip less, causing employees to lose out on tips. Restaurants may also face potential legal risks if employees can make the case that the service charge is actually a gratuity (*O'Grady v. Merchant Exchange Productions, Inc.*, 2019). For these reasons, operators may decide to make the service charge removable upon request.

In response to this lack of transparency and confusion, several California cities have begun regulating service charges. In Oakland, all service charges collected by hospitality employers are required to be paid to employees (City of Oakland, n.d.). In Berkeley, all service charges must be used to directly benefit the employees and employers must disclose in writing how they are distributed (Berkeley Municipal Code, n.d.). In Santa Monica, all service charges must be distributed to employees, employers must disclose to employees exactly how service charges are distributed, and service charges related to healthcare must be deposited into segregated accounts controlled by the employees (e.g., a health savings account) or be paid out to the employee (City of Santa Monica, n.d.).

LAC specifically has seen an increase in the addition of service charges to restaurant customers' bills. This has generated a wide range of reactions from customers, including confusion, opposition, and support (Robinson, 2019). While restaurants typically describe the purpose of added service charges (such as supplementing employee wages or health insurance), customers may not see these descriptions and discover the fee only when they receive their bill. Customers may also still see these charges as an increased cost akin to raising menu prices, which may be viewed unfavorably. Doubts also arise as to how much to tip when also paying service charges. The existing literature has varied conclusions, with student hospitality workers viewing service charges as fairer than pooled tipping, while restaurant customer ratings decline when service charges replace tipping altogether (Lynn & Brewster, 2018; Namasivayam & Upneja, 2007). Overall, this remains a contentious issue with differing views from restaurant customers, employees, and operators.

Benefits

Healthcare Coverage

Existing policy: Under the Affordable Care Act (ACA), employers with at least 50 full-time employees must offer health insurance coverage to full-time equivalent employees and their dependents that meets certain minimum standards. Otherwise, they must pay a per-employee, per-month fee called the Employer Shared Responsibility Payment. Businesses with fewer than 50 full-time equivalent employees that provide health insurance must provide coverage to employees that complies with ACA requirements, but are not required to offer coverage for employees' dependents (U.S. Department of Health and Human Services, n.d.-b, n.d.-a, n.d.-c).



Photo: [Danielle Rice](#)

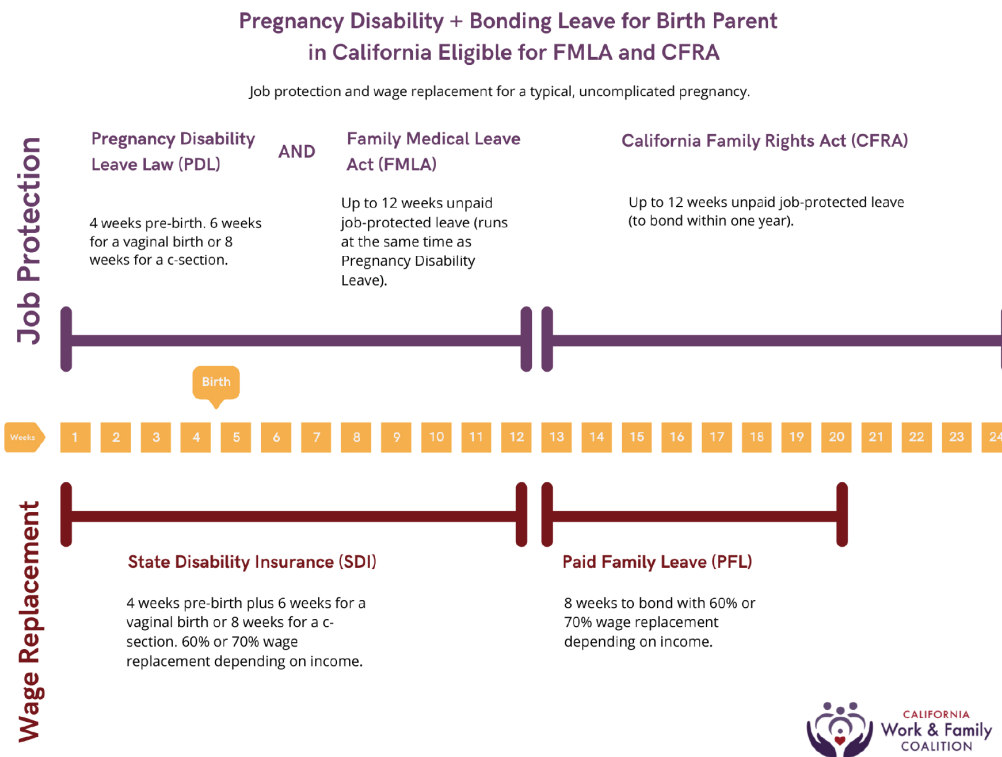
Why it matters: Many restaurant employees are employed part-time, meaning that their employer is not required to offer them health insurance. In 2021, only 36.8% of LAC restaurant employees received health insurance through their employer or union, compared to 63.5% of the rest of the County civilian labor force. Nearly one-quarter (24%) of LAC restaurant employees had no health insurance coverage, compared to 10.5% of the remaining county civilian labor force (Ruggles, Steven et al., 2022).

Family and Parental Leave

Existing policy: The California Paid Family Leave (PFL) program allows workers to take time off work to care for a seriously ill family member, bond with a new child, or participate in a qualifying event because of a family member's military deployment (California Employment Development Department, n.d.-a). PFL is funded through the State Disability Insurance (SDI) payroll tax. Workers can receive up to eight weeks off, with payments ranging from 60-70% of weekly wages earned 5 to 18 months before their claim start date. In 2025, the wage replacement rate will increase to 90% for lower-income workers and 70% for the rest of workers (Kuang, 2022).

Why it matters: While PFL is mandated by California law, this benefit is difficult to access and does not provide enough time for sufficient family bonding. Employees must file claims to access PFL, which can be burdensome, as employees cannot file until the day their leave starts; for pregnant workers it's the day they give birth. Additionally, it can take up to two weeks to receive a payment from when a worker files their claim (California Employment Development Department, n.d.-c). Because PFL only partially replaces wages at 60-70%, employees who earn low wages, who are disproportionately women, Black, and Latinx, are less likely to utilize PFL (Schumacher, 2022). For pregnant workers, PFL is often utilized in conjunction with other job protection and wage replacement programs, that each have their own rules and requirements. Figure 1 details this patchwork of laws. Employers have no obligation to assist their employees in applying for these benefits.

Figure 1
Pregnancy Disability and Bonding Leave for Birth Parent in California Eligible for FMLA and CFRA



Source: California Work & Family Coalition, ACLU of Southern California, & Restaurant Opportunities Centers United: the Bay. (n.d.). Know Your Rights: Paid Leave in California. https://www.aclusocal.org/sites/default/files/paid_leave_-_english.pdf

Paid Sick Leave

Existing policy: The following three paid sick leave ordinances apply to part-time, full-time, and temporary employees. Under the Healthy Workplace Healthy Family Act of 2014, in California, workers who work at least 30 days a year can accrue one hour of sick leave per 30 hours worked and can accrue up to 48 hours (6 days) each year (year of employment, calendar year, or 12-month period); they must work for 90 days before being able to take paid sick leave (California Department of Industrial Relations, 2016). Sick pay policies vary by city throughout LAC. In the City of LA, all employees who work at least two hours in a particular week for the same employer for 30 days or more within a year

can accrue one hour per 30 hours worked and can accrue up to 48 hours (6 days) each year (City of Los Angeles, Office of Wage Standards, n.d.). In Santa Monica, all employees can accrue one hour of sick leave per 30 hours worked. Employees of small businesses (25 or fewer employees) in Santa Monica can accrue up to 40 hours annually, and employees of larger businesses (26 or more employees) can accrue up to 72 hours annually (City of Santa Monica, n.d.).

Why it matters: There is no requirement that paid sick leave payments include tips for employees that are not earned while they are on leave. Consequently, many restaurant workers forgo the time off because they are only reimbursed for hourly wages, but not for potential tips. Paid sick leave is an unfunded mandate, meaning that employers self-finance the compensation of leave-taking employees. Under the state’s paid sick leave law, employers also reserve the right to restrict usage of sick time to just 24 hours (3 days) per year (California Department of Industrial Relations, 2016).

This issue especially affects women; one study found that 55% of restaurant workers were female and less than 30% of restaurant workers surveyed from 2017 to 2021 had paid sick leave (Maclean et al., 2020). Although many restaurant workers have flexible schedules, lack of reliable access to sick pay has widespread consequences and “guaranteeing paid sick leave to all workers would offer a range of benefits for workers, employers, and public health while also offering the further benefit of reducing gender inequality” (Harknett & Schneider, 2022).

Lack of sick pay also contributes to higher turnover in the restaurant industry. One study found a 25% decline in job separation among service-sector employees, including hospitality, when paid sick leave was offered (Hill, 2013).

Retirement Benefits

Existing policy: California law requires that all employers with 5 or more employees that do not offer an employer-sponsored retirement plan participate in the state’s retirement savings program, CalSavers. In 2022, the California legislature extended the requirement to employers with 1-4 employees with a registration deadline of December 31, 2025. CalSavers has no employer fees, employer contributions, nor fiduciary responsibility. Through payroll deductions, workers contribute to an Individual Retirement Account (IRA). Employees can choose to opt out of CalSavers once enrolled (California Employment Development Department, n.d.-b; CalSavers, n.d.).

Why it matters: According to California’s Master Plan for Aging, by 2030, a quarter of Californians will be older adults over 60. As the cost of living in California continues to rise, aging becomes more unaffordable for lower income adults. About 20% of adults over 65 are living in poverty, and Black, Latinx, and Indigenous older adults experience poverty rates twice that. In the US, nearly half of all households are “headed by someone aged 55 or older with no retirement savings,” and a quarter of adults over 65 “rely almost entirely on their Social Security benefits” (California Department of Aging, 2021). While older adults are underrepresented in the LAC restaurant industry compared to other industries, these trends are still concerning for restaurant workers who could be saving more for retirement during their prime working years if they had access to increased retirement benefits such as employer-matched plans (Appendix 7, Table 2).

Restaurant Employee Turnover

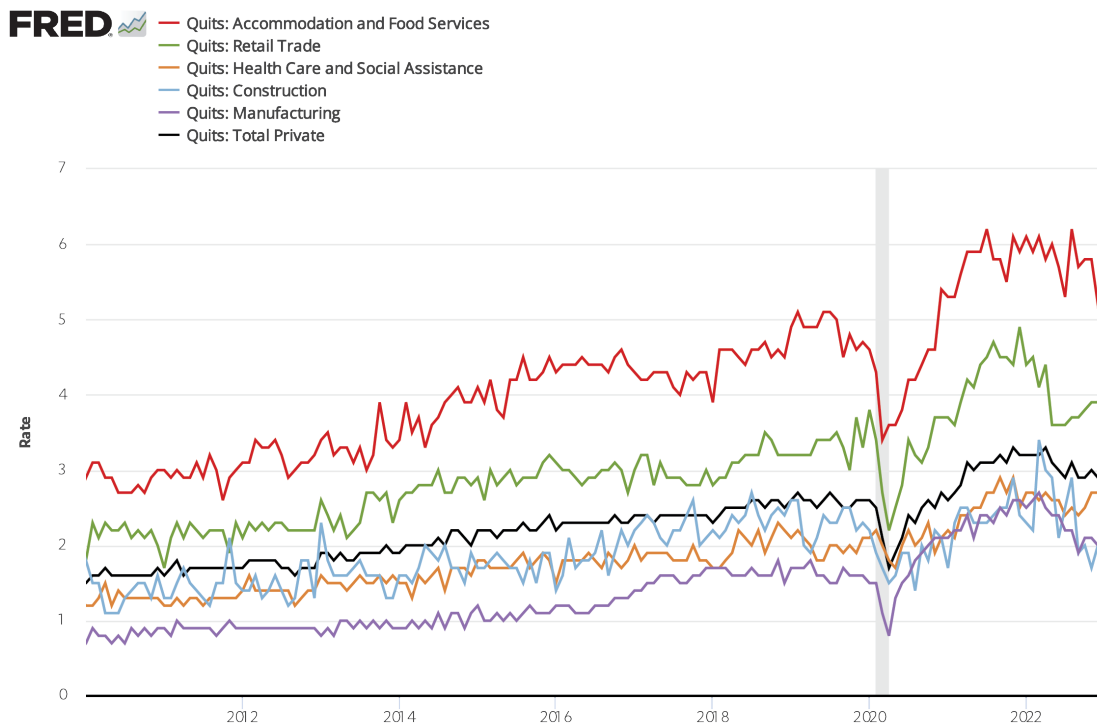
Historically, high worker turnover has been endemic to the restaurant industry. A 2014 study of restaurants in the US’s 33 largest metropolitan areas estimated that the annual turnover costs are \$18,200 for an establishment with 30 employees, \$182,000 for a chain of 10 restaurants, and \$1.82 million for a chain of 100 restaurants (Batt et al., 2014). Turnover is especially high among fast food and quick service restaurants, where almost one in two workers quits or is fired each year; in moderately priced restaurants, turnover is estimated to be 40% annually (Batt et al., 2014).

Figure 2 shows seasonally adjusted monthly quit rates in the accommodation and food services sector from January 2010 to January 2023, as well as quit rates in several other sectors and the total private sector for comparison. Quit rates in the accommodation and food services sector have consistently outpaced other sectors and the overall private sector. In August 2022, quit rates in the sector peaked with 6.2% of the workforce quitting (U.S. Bureau of Labor Statistics, n.d.-a, n.d.-e, n.d.-f, n.d.-c, n.d.-b, n.d.-d). During the same month, quit rates were at most 60% higher than the other sectors depicted; 3.7% in retail, 2.9% in construction, 2.5% in health care and social assistance, 2.2% in manufacturing, and 3.1% in the total private sector (U.S. Bureau of Labor Statistics, n.d.-c, n.d.-g, n.d.-h, n.d.-e, n.d.-d, n.d.-f).

Given that poor working conditions are common in the restaurant industry, it is unsurprising that turnover is high. A 2021 national survey study of restaurant workers found that in addition to low wages and tips, common reasons that workers cited in

wanting to leave their jobs included concerns of hostility and harassment from customers (39%) and hostility and harassment from coworkers and or management (26%). When asked what would motivate them to stay at their job, the most common factors included access to paid sick leave (49%), improved working environment with less hostility from customers, customers and/or management, and health benefits (One Fair Wage & UC Berkeley Food Labor Research Center, 2021a). A 2000 study of quick service hamburger chain restaurants in Indiana and Kentucky found that restaurants that did not offer benefits to part-time employees had significantly higher turnover rates than those who did (La Lopa et al., 2000).

Figure 2
Monthly Quit Rates by Sector, Seasonally Adjusted, January 2010 to January 2023



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, March 21, 2023



Photo: [Ambitious Studio](#)

Post-COVID-19 Landscape

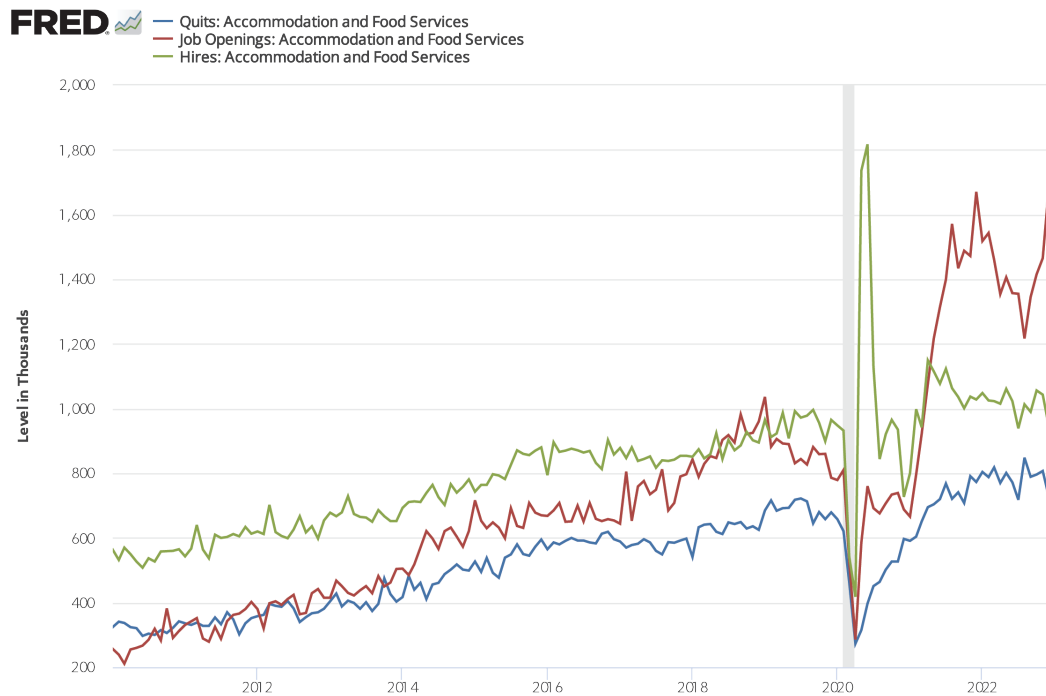
The restaurant industry was hit hard by the COVID-19 pandemic. Many restaurants struggled to stay afloat by providing only take-out food for almost a year. Many restaurant workers were laid off at the onset of the pandemic. Workers in the food service and accommodation sector comprised the largest share (15%) of unemployment claims in LAC in both 2020 and 2021 (California Employment Development Department, 2023).

Throughout the pandemic, restaurant workers risked their health and wellbeing. One study found that compared to furloughed workers, restaurant workers who worked throughout the pandemic experienced higher psychological distress, increased substance abuse, and were more likely to want to leave their job (Bufquin et al., 2021).

Today, restaurant employers are struggling to recruit and keep talent. Many who worked in the restaurant industry before the pandemic have not returned to fill these vacancies. In a period of high inflation, restaurants are also left to deal with rising food costs.

As Figure 3 shows, restaurants are struggling to find people to fill positions since the pandemic began in 2020; there are consistently more job openings than people being hired into those positions (U.S. Bureau of Labor Statistics, n.d.-b, n.d.-a, n.d.-c).

Figure 3.
Seasonally-Adjusted Levels of Quits, Openings, and Hires in the Accommodation and Food Services Sector, January 2018 to January 2023



Source: U.S. Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, March 21, 2023

Los Angeles County: Wages and Wage Theft

The minimum hourly wage is currently \$15.96 in unincorporated LAC and \$16.04 in the City of LA (Table 5). These will respectively increase to \$16.90 and \$16.78 starting on July 1, 2023. The implementation of these minimum wages is complex. A recent analysis showed that “the incidence of LA City’s higher minimum wage fell on customers in high-income neighborhoods, and on landlords and restaurant owners in low-income neighborhoods” (Esposito et al., 2021).

Although such wage laws aim to provide higher incomes to workers, LAC restaurant employees are still subject to wage theft. For example, the U.S. Department of Labor recently found a LAC restaurant operator liable for denying overtime wages to employees (U.S. Department of Labor, 2023). Indeed, the median wages in Table 6 could suggest



Photo: [Brian Tromp](#)

that wage theft is especially prevalent for LAC restaurant workers. For example, the overall restaurant worker median wage of \$12.61 was lower than the county’s minimum wage of \$15 for large employers and \$14.25 for small employers in 2020. The same is true for nearly all demographic splits.

In 2022, California Assembly Bill 257 was signed into law, aiming to enact a Fast Food Council to oversee minimum standards on fast-food employee wages, working hours, and overall working conditions (Assembly 257 Food Facilities and Employment, 2022). Such legislation was bound to have significant effects on not only the LAC fast-food industry, but the LAC restaurant industry at large. However, a fast-food industry backed referendum campaign secured enough signatures to qualify for the 2024 election, which means California voters will decide whether to uphold the law (Hussain, 2023).

Table 5
Minimum Wages in LAC as of January 2023

Geography	Minimum Wage
California	\$15.50
City of LA	\$16.04
Malibu	\$15.96
Pasadena	\$16.11
Santa Monica	\$15.96
West Hollywood	\$17.50 (\$17.00 for small employers)
Unincorporated Los Angeles County	\$15.96

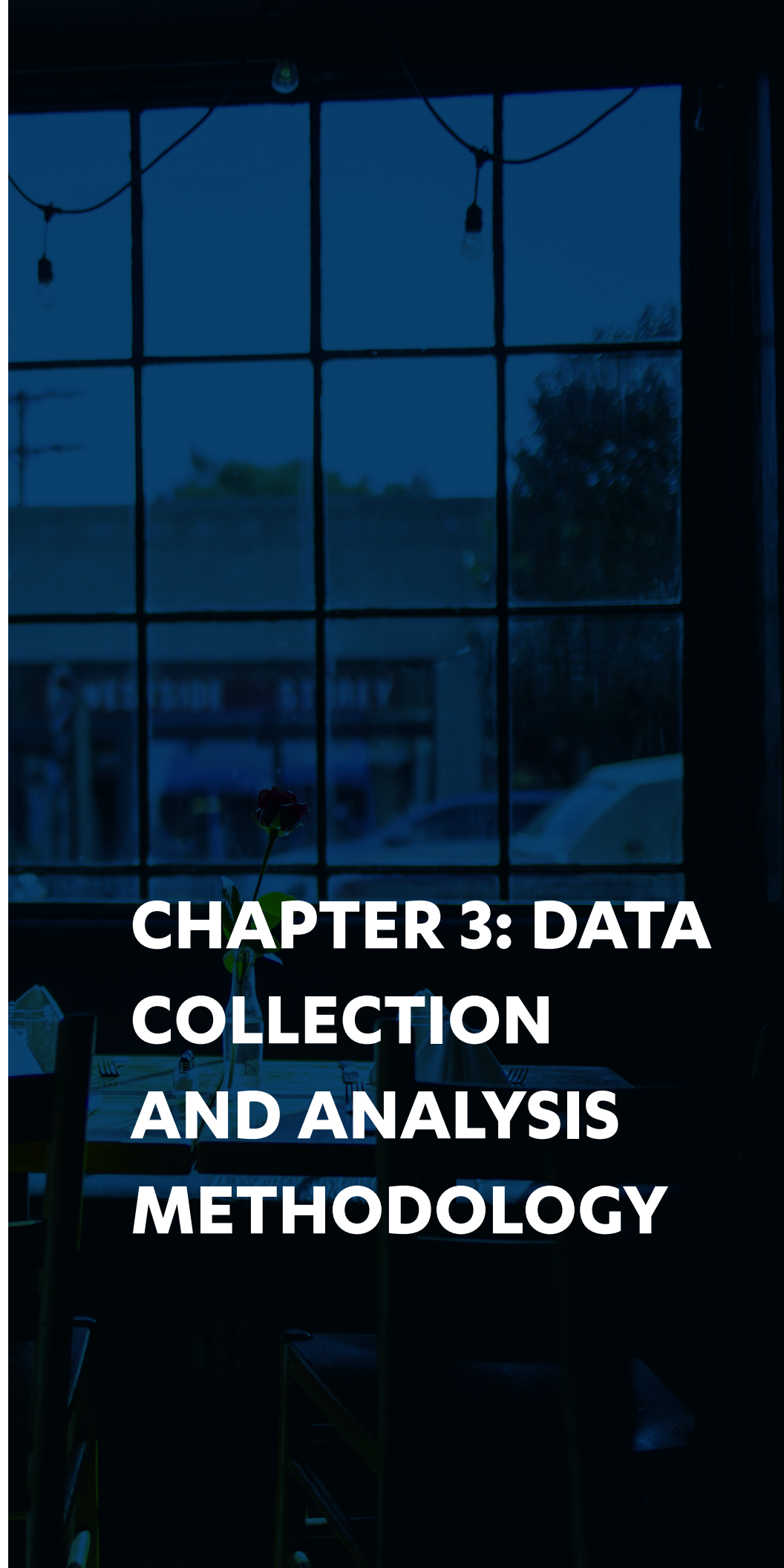
Source: UC Berkeley Labor Center. (2023). Inventory of US City and County Minimum Wage Ordinances. UC Berkeley Labor Center. <https://laborcenter.berkeley.edu/inventory-of-us-city-and-county-minimum-wage-ordinances/>

Table 6.

Median Real Hourly Wages, Restaurant Industry Workers versus Other Workers, Overall and by Demographic Group, Los Angeles County, 2020

		Restaurant Industry	Outside Restaurant Industry
Overall hourly minimum wage		\$12.61	\$20.04
Gender	Male	\$13.21	\$20.60
	Female	\$11.91	\$19.37
Race	White	\$15.63	\$30.37
	Black	\$12.58	\$20.21
	Asian or Pacific Islander	\$12.60	\$24.86
	Hispanic	\$12.19	\$15.84
	Other race	\$14.47	\$24.21
Citizenship	Citizen	\$12.81	\$21.59
	Not a citizen	\$12.25	\$14.88
Age	16–24	\$10.70	\$12.17
	25–34	\$13.40	\$19.24
	35–44	\$13.45	\$23.48
	45–54	\$13.84	\$22.80
	55–64	\$13.39	\$22.85
	65 and up	\$13.11	\$22.20
Education	Not a high school graduate	\$11.85	\$13.37
	High school graduate/GED	\$12.49	\$15.78
	Some college	\$12.55	\$18.84
	Bachelor’s degree	\$15.95	\$29.71
	Graduate degree	\$25.12	\$41.23

Steven Ruggles, Sarah Flood, Matthew Sobek, Danika Brockman, Grace Cooper, Stephanie Richards, and Megan Schouweiler. IPUMS USA: Version 13.0 [dataset]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V13.0>



**CHAPTER 3: DATA
COLLECTION
AND ANALYSIS
METHODOLOGY**

Approach

We utilized a mixed-methods approach to collect and analyze data for this project. MORE identified three target constituencies in their efforts to effect change in the restaurant industry: 1) the restaurant industry, 2) policymakers, and 3) the dining public. Our project primarily focuses on key stakeholders of the first constituency—the restaurant industry—by analyzing operators’ and workers’ perspectives on compensation and benefits. As outlined in Figure 4 below, both restaurant operators and employees have a high interest in effecting change in the restaurant industry, and consequently, the implications of such change. However, restaurant operators have considerably more power than employees to generate change because they have the authority to set business practices. Thus, we sought to identify more equitable and sustainable practices that can be broadly adopted across the whole restaurant industry.

Figure 4.
Mapping Stakeholders Involved In The Restaurant Industry According To Power And Interest In Restaurant Issues

	High Power	Low Power
High Interest	<p>Players: interest and power to affect change</p> <ul style="list-style-type: none"> • LAC elected officials • California state elected officials • Restaurant operators • Community organizations and coalitions (including MORE) • Restaurant interest groups (such as National Restaurant Association) • Unions • Franchises and Corporate restaurants/cafes (such as McDonald’s and Starbucks) 	<p>Subjects: interest but little power to affect change</p> <ul style="list-style-type: none"> • Restaurant employees • Researchers

Chapter Photo: [Zach Lucero](#)

	High Power	Low Power
Low interest	<p>Context Setters: power but little interest to affect change</p> <ul style="list-style-type: none"> • Taxpayers 	<p>Crowd: neither interest nor power to affect change</p> <ul style="list-style-type: none"> • Dining public • Other community members

Quantitative Methods

Surveys

During February 2023, we conducted two online surveys of restaurant operators and employees respectively. The surveys were administered on the platform Qualtrics. See Appendices 1 and 3 for copies of the full surveys.

The operator survey was developed with guidance from client members who had experience operating restaurants. It consisted of 29 questions that asked about:

- Restaurant characteristics (e.g., type of restaurant, years in operation, estimated annual revenue margins)
- Staff characteristics (e.g., number of front-of-house and back-of-house employees, estimated turnover rate)
- Pay practices (e.g., estimated hourly wages, tipping practices)
- Benefits packages
- Benefits currently offered to employees
 - › Benefits that were newly offered to employees since the start of the COVID-19 pandemic
 - › Preferences between offering employees a pay raise versus various benefits

The employee survey was administered to managers, chefs, and non-managerial restaurant workers and was available in both English and Spanish. The survey consisted of 31 questions that asked about:

- Demographics (e.g., age, gender, race)
- Restaurant characteristics (e.g., city location of restaurant, type of restaurant)
- Work hours (e.g., weekly hours worked, shift lengths)
- Pay (e.g., estimated hourly wages before and after tips)
- Benefits packages
 - › Benefits currently available to them
 - › Preferences between receiving a pay raise versus various benefits

Participants were primarily recruited through an email campaign that the client conducted, with the majority being operators and employees of Regarding Her: Los Angeles restaurants. We also partnered with local and statewide restaurant worker groups such as Restaurant Opportunities Center of Los Angeles, One Fair Wage, and the Democratic Socialists of America Los Angeles Chapter Mutual Aid and Labor Committees to spread word about the survey to their members. We also recruited participants through social media platforms such as Instagram and Facebook, and asked public figures to share on their platforms including Evan Kleiman, the host of KCRW's Good Food, and the Office of Los Angeles City Councilmember Hugo Soto-Martinez. The first 100 survey respondents were eligible to receive a \$15 Target giftcard, so long as they provided a working email address to send it to.

Inclusion criteria included operating or working at a restaurant in LAC. We included CAPTCHAs to protect surveys from bots. We created a screening protocol to further identify fraudulent responses and remove them from analysis. We screened out repeat participation by excluding multiple survey responses that were submitted from the same IP address.

The survey data were analyzed using descriptive statistics and cross-tabulations. See Appendices 2 and 4 for summaries of the survey results and descriptions of the survey data cleaning methodology.

Public Use Datasets

Using data from the 5-Year American Community Survey for 2016-2020 (ACS), we developed a data summary regarding demographics, wages and access to health insurance for restaurant workers in LAC. See Appendix 7 for the full data summary.

Qualitative Methods

From mid-February to early March 2023, we conducted interviews of LAC restaurant operators and employees. We recruited potential interview participants primarily through the online surveys. At the end of the operator and employee surveys, respondents were invited to participate in the interviews by sharing their email address and checking a box to indicate their interest. We subsequently reached out to interested participants to schedule interviews.

See Appendices 5 and 6 for the interview guides.

The operator interviews focused on current compensation and benefits practices, improvements to compensation and benefits that operators would like to make, perceived challenges to implementing those improvements, and how the COVID-19 pandemic affected their practices. The employee interviews focused on employees' experiences in the workplace, such as pay, job satisfaction, working conditions, access to benefits, and how they would improve the industry for workers.

Interviews lasted 45 minutes to 1 hour and were conducted in two-person teams on Zoom, over telephone, or in-person. All interview participants received \$75 as a thank you for their time. The interview recordings were uploaded to the Otter.ai transcription software platform. Using the qualitative analysis software Dedoose, we conducted thematic analysis of the interview transcripts using deductive and inductive coding techniques. Codes for employee surveys fell under categories including benefits, COVID, service charges, unions, wages, and work environment. Codes for operator surveys fell under categories including benefits, COVID employee support, customer education, staffing, unionization, and wages.

Table 7.
Employees Interviewed

Employee	Position	Race/Ethnicity	Gender Identity
1	Line/Prep Cook	White	Male
2	General Manager	Native Hawaiian/Pacific Islander	Female
3	Server	Asian Hispanic/Latina	Female
4	Sommelier/Beverage Director	White	Female
5	Line Cook Lead	Hispanic/Latino	Male
6	Server	White	Female
7	Server–Captain	White	Male
8	Chef	Native Hawaiian/Pacific Islander White	Female
9	Server	White	Female
10	Director of Bakery Operations	White	Female
11	Business and Operations Manager	Hispanic/Latina White	Female
12	Junior Sous/Line Cook	Hispanic/Latinx	Nonbinary
13	General Manager/Operations/Consulting	Asian	Female

Table 8.
Operators Interviewed

Operator	Position
1	Co-Owner
2	Chef & Co-Founder
3	Owner

Limitations

Our research had some limitations. While the survey was available in Spanish, and we made our best effort to recruit Spanish respondents, we received very few Spanish survey responses. We were similarly unable to recruit any primarily Spanish-speaking interviewees. Spanish respondents to our survey either did not explicitly express interest in being interviewed, did not respond to our interview scheduling email, or provided a non-working email address.

To respect the anonymity of respondents, we did not require employees or operators to disclose the restaurant they worked at or owned. While it is unlikely to have affected the number of restaurants represented in our operator sample, we are unable to identify how many individual restaurants are represented in our employee sample. Therefore, we are unable to conclude how many restaurants in total we were able to collect data from regarding wages and benefits across both surveys. Because multiple employees at a single restaurant could have taken the survey, it is likely some restaurants were overrepresented in our sample.

Our findings may also be confounded by selection bias. Employees and operators already interested in promoting equity within restaurants may have been more likely to complete a survey or interview on this research topic. Furthermore, we recruited participants through MORE and other progressive organizations. While this helped us gain the perspectives of operators and employees actively advocating for these issues, it also limits the generalizability of our findings.

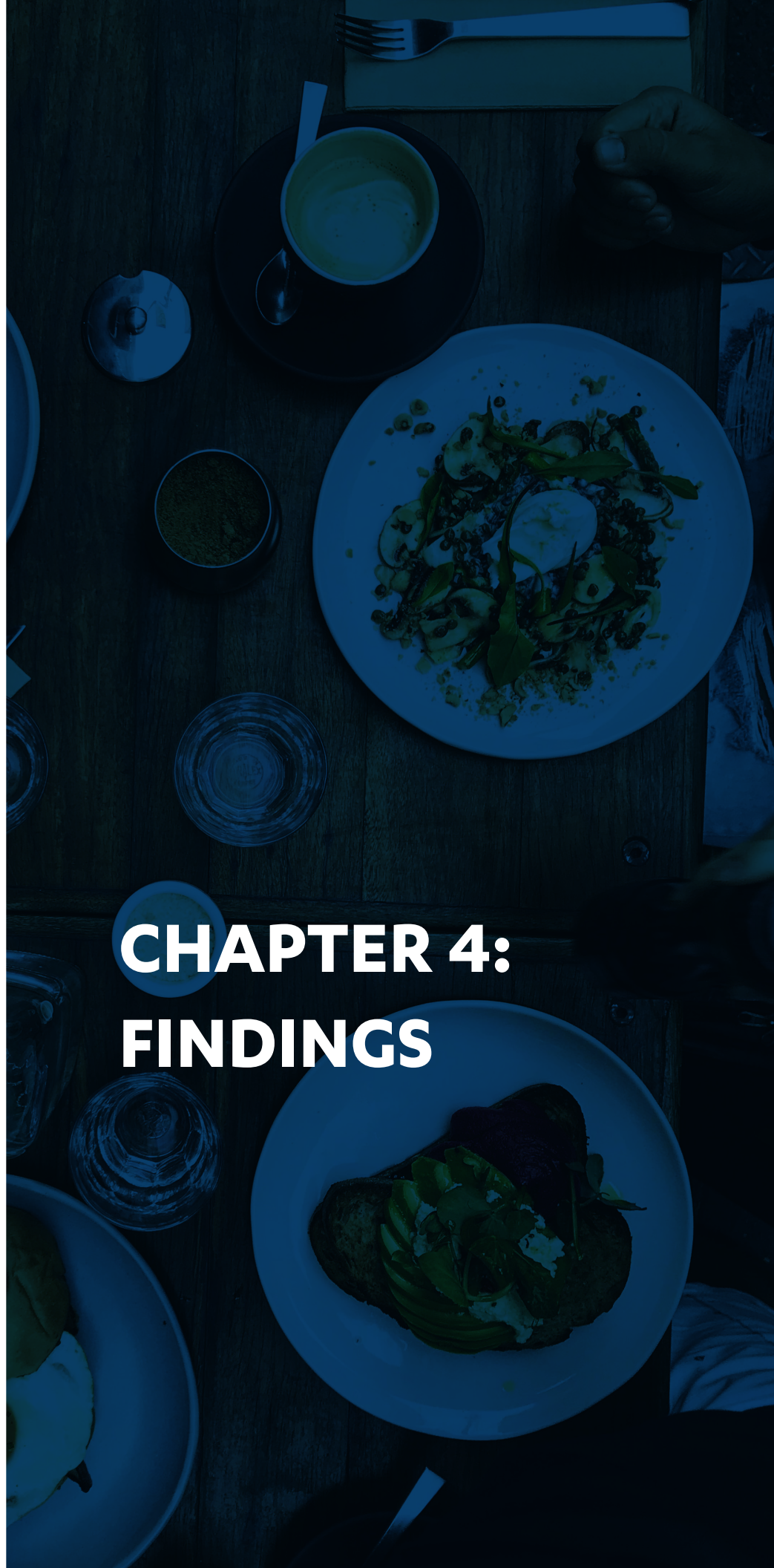


Photo: [Wesley MacLachlan](#)

While we followed a protocol to minimize fraudulent or repeat survey responses, we cannot guarantee that we only included (and did not inadvertently exclude) responses from real restaurant operators and employees in our analysis.

We were able to pilot our survey with members of MORE and received feedback on length and content. However, we were unable to pilot our interview guides due to time constraints.

Lastly, caution should be exercised in interpreting median wage estimates for some restaurant occupations due to small sample sizes of raw observations in the ACS (fewer than 500 observations per occupation or within occupation-demographic splits) (see Appendix 7, Table 10).



CHAPTER 4: FINDINGS

From our analyses, we identified 11 key findings that speak to both the challenges and opportunities restaurant operators face when attempting to offer higher wages and benefits to their employees (Table 9). These findings inform our proposed policy options and recommendations which are discussed in Chapters 5 and 6 respectively.

Table 9.

Key Findings

Key Findings
Finding 1: For many workers, working in the restaurant industry is a career path.
Finding 2: Better working conditions, pay, access to benefits, and job protection result in higher levels of job satisfaction and lower levels of turnover among restaurant workers.
Finding 3: Most restaurant operators surveyed currently offer some type of benefit to workers, but not necessarily the benefits that workers would prefer to receive.
Finding 4: Employees would take into consideration what benefits are available to them when deciding to stay at or leave their current job, but they also face barriers to accessing benefits.
Finding 5: Operators want to offer more generous benefits to workers, but financial constraints prevent them from doing so.
Finding 6: To mitigate high employee turnover post-pandemic, restaurants are trying to attract workers with competitive pay and benefits.
Finding 7: Restaurants' choice of tip structure matters because it can improve wage equity between employees or exacerbate existing wage inequities.
Finding 8: Some restaurants already use service charges or auto-gratuities to fund higher wages and benefits.
Finding 9: Wage theft in the restaurant industry is a persisting problem.
Finding 10: Operators and employees alike recognize that unionization increases employees' bargaining power and could likely lead to higher wages and better benefits for employees.
Finding 11: Post-pandemic, restaurant operators and employees believe customer education would help inform the dining public about the challenges related to running a restaurant.

Finding 1: For many workers, working in the restaurant industry is a career path.

A common view is that restaurant jobs primarily attract workers looking for temporary employment, rather than a career. The typical restaurant worker that may come to mind is a teenager or college student working part-time or summer jobs. To justify the prevalence of low wages and lack of access to benefits among restaurant workers, many perceive restaurant work as entry-level or low-skilled work.

Our data challenges this view by illustrating how restaurant work is not merely a living, but ultimately, a career path for many workers. Most respondents who completed the employee survey answered “Yes” when asked if their current restaurant job was their main income source (92.3%); nearly three-quarters of respondents (72.3%) of respondents were employed full-time at their current restaurant (Appendix 4, Tables 12 and 15). The mean and median tenure in the restaurant industry were approximately 13 years (Appendix 4, Table 9).

Nine employees interviewed mentioned that their work history had been primarily in restaurants. Several described their experiences in the restaurant industry in terms of career progression. Similarly, one employee shared in the free response portion at the end of their survey,

I have been working in this field since age 16 and it is the primary skill set I hold. At my current age of 36 I am not in a financial position to be able to learn a new skill set/profession and start from scratch again. There are very few other professions I feel I could enter and make a similar amount of money to start. I have achieved a significant amount of experience in my field (wine) and I want to continue to grow my experience and potential.

Moreover, when asked to share their opinion about what could be done to improve employee retention and reduce turnover in restaurants, Operator 2 expressed,

There's a very negative stigma around being in hospitality or being a restaurant worker, where it's just like, 'Oh, it's just because, you know, they didn't go to school'...It's looked down upon for people to actually provide a service to someone else...But as long as it's a decent job, and you're doing it ethically, every job is worthy of recognition.

Finding 2: Better working conditions, pay, access to benefits, and job protection result in higher levels of job satisfaction and lower levels of turnover among restaurant workers.

In interviews, seven employees expressed that they have considered leaving their current restaurant job. Four mentioned that pay and access to benefits were common explanations for worker turnover in restaurants. For example, Employee 5, a line cook, described,

Turnover is more common among back-of-house workers because there's other places that will either offer a higher wage or better benefits than what we currently offer...I was offered a higher salary somewhere else...But the only reason why I haven't left is because this job is more secured.

Three employees expressed that they considered or planned to leave the industry altogether due to poor working conditions. Employees 9 and 12 mentioned sexual harassment from male coworkers. Employee 6 described that they planned to leave the restaurant industry because

of the stress it puts on my body...Even a higher minimum wage takes off some of the stress from someone who is unwell; taking time off won't make as big a dent in their weekly pay... I would really like to overhaul the way they approach sickness and mental health and burnout. Because we're not really taken seriously when we are sick...If we don't cover our shifts, we lose our job.

During interviews, nine employees answered “Yes” when asked if they felt that their pay was fair. Managerial employees were most likely to state that they believed their pay was fair. However, the distinction between a fair wage versus a livable wage emerged in several interviewees’ responses. Five employees stated explicitly that they were not making a livable wage. For example, Employee 3 shared,

Is it fair?...I'm not saving somebody's life...But the beauty of it is, if you train somebody, you know, and you try hard, you can do it right. At least in this industry. But it's not livable. But is it fair? It's just, what's your definition of fair? 'Cuz I don't think it's fair for people to have [to work] two jobs.

Some non-managerial employees felt that their pay was fair, but only when considering tips in addition to wages. This view was complemented by the free response comment that one employee shared on their survey regarding their decision to move from a salaried managerial position back to an hourly tipped position:

I have 10 years experience in salaried management level positions in high end, James Beard-recognized and Michelin-starred restaurants working for well-known culinary professionals. I recently decided to leave management and take an hourly tipped position without managerial responsibilities in order to make more money. Average compensation for salaried management level positions for my specialty are not competitive whatsoever with the required experience and skill set/knowledge level. Salaries for these roles have not increased in five years for the most part. Restaurant prices, check averages and cover counts continue to rise and wages and salaries do not. Quality and quantity of benefits have not evolved.

Finding 3: Most restaurant operators surveyed currently offer some type of benefit to workers, but not necessarily the benefits that workers would prefer to receive.

Most operators surveyed provided some type of benefit to any or some employees (70.7%). The majority offered benefits to full-time non-managerial employees (82.8%) and managers (69%) (Appendix 2, Tables 15 and 16). However, most operators did not offer “traditional” benefits such as health and retirement benefits. While the majority offered employee discounts (58.1%) and free meals/family meals (55.8%), only 39.5% offered health insurance for employees (self, not including partners or dependents), 32.6% offered paid sick leave (beyond the 3 days required under California law), 27.9% offered dental insurance, and just over 25% offered paid time off and retirement accounts. No operators offered child/elder care reimbursement or services to employees (Table 10).

Table 10.
Benefits Offered by Restaurant Operators

Benefit	n (%)
Child/elder care reimbursement or services	0 (0%)
Dental insurance	12 (27.9%)
Employee Discounts	25 (58.1%)
Free meals/family meals	24 (55.8%)
Health insurance for self	17 (39.5%)
Health insurance for partner	8 (18.6%)
Maternity leave	6 (14%)
Mental health care reimbursement or services	3 (7%)
Paid family leave (beyond 8 weeks required under CA law)	3 (7%)
Paid sick leave (beyond 3 days required under CA law)	1 (2.3%)
Paid time off (vacation)	14 (32.6%)
Pension/retirement account	11 (25.6%)
Professional trainings	11 (25.6%)
Transit benefits	11 (25.6%)
Vision care	12 (27.9%)
Wellness days	2 (4.7%)
Other	1 (2.3%)

In contrast, the plurality or majority of employees surveyed would prefer to receive the following benefits over a pay raise: dental insurance, health insurance for self, health insurance for partner, maternity leave, mental health care reimbursement or services, paid family leave, paid sick leave, paid time off, and pension/retirement account. Employees would prefer a pay raise over receiving the following benefits: child/elder care reimbursement or services, health insurance for dependents, professional trainings, transportation benefits, vision care, and wellness days (Table 11).

Table 11.

Preferences between Receiving a Benefits versus Pay Raise, All Employees

	Benefit	Pay Raise	Don't Know/ Unsure	Decline to Answer
Child/elder care reimbursement or services	7 (11.9%)	44 (74.6%)	8 (13.6%)	0 (0%)
Dental insurance	27 (45.8%)	24 (40.7%)	8 (13.6%)	0 (0%)
Employee discounts	16 (27.1%)	38 (64.4%)	4 (6.8%)	1 (1.7%)
Free meals/family meals	28 (47.5%)	28 (47.5%)	2 (3.4%)	1 (1.7%)
Health insurance for self	39 (66.1%)	17 (28.8%)	(5.1%)	0 (0%)
Health insurance for dependents	25 (42.4%)	29 (49.2%)	5 (8.5%)	0 (0%)
Health insurance for partner	28 (47.5%)	27 (45.8%)	4 (6.8%)	0 (0%)
Maternity leave	28 (47.5%)	27 (45.8%)	4 (6.8%)	0 (0%)
Mental health care reimbursement or services	32 (54.2%)	25 (42.4%)	2 (3.4%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	33 (55.9%)	23 (39%)	3 (5.1%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	39 (66.1%)	19 (32.2%)	1 (1.7%)	0 (0%)
Paid time off (vacation)	43 (72.9%)	15 (25.4%)	1 (1.7%)	0 (0%)
Pension/retirement account	36 (61%)	18 (30.5%)	4 (6.8%)	1 (1.7%)
Professional trainings	21 (35.6%)	31 (52.5%)	7 (11.9%)	0 (0%)
Transportation benefits	19 (32.2%)	39 (66.1%)	1 (1.7%)	0 (0%)
Vision care	25 (42.4%)	33 (55.9%)	1 (1.7%)	0 (0%)
Wellness days	26 (44.1%)	31 (52.5%)	2 (3.4%)	0 (0%)



Photo: [Misha Rakityanskiy](#)

Finding 4: Employees would take into consideration what benefits are available to them when deciding to stay at or leave their current job, but they also face barriers to accessing benefits.

As shown in Table 12 below, the majority of surveyed employees did not have access to child/elder care reimbursement or services, transportation benefits, and wellness days. The majority had access to the following benefits at their job (regardless of whether or not they use the benefit): dental insurance, employee discounts, free meals/family meals, health insurance for self, paid sick leave, and paid time off. However, even when the following benefits were offered, more employees chose not to use them than use them: dental insurance, employee discounts, health insurance for self, paid sick leave, paid time off, pension/retirement, professional trainings, transportation benefits, and vision care. Most notably, only 26.2% of all employees in our survey sample received health insurance through their job, compared to 39.2% of all restaurant workers in LAC (Appendix 7, Table 9). Neither part-time versus full-time employment status seems to explain this pattern; 20% of all part-time non-managerial employees, 52.6% of all full-time non-managerial employees, and 7.7% of managers surveyed were enrolled in employee-sponsored health insurance (Appendix 4, Tables 24-26).

Table 12.
Access to Benefits, All Employees

	My job does not offer this benefit.	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer.
Child/elder care reimbursement or services	44 (72.1%)	2 (3.3%)	3 (4.9%)	11 (18%)	1 (1.6%)
Dental insurance	17 (27.9%)	26 (42.6%)	7 (11.5%)	10 (16.4%)	1 (1.6%)
Employee discounts	6 (9.8%)	44 (72.1%)	9 (14.8%)	2 (3.3%)	0 (0%)
Free meals/family meals	11 (18%)	48 (78.7%)	1 (1.6%)	1 (1.6%)	0 (0%)
Health insurance for self	13 (21.3%)	27 (44.3%)	16 (26.2%)	5 (8.2%)	0 (0%)
Health insurance for dependents	24 (39.3%)	6 (9.8%)	18 (29.5%)	13 (21.3%)	0 (0%)
Health insurance for partner	24 (39.3%)	6 (9.8%)	16 (26.2%)	15 (24.6%)	0 (0%)
Maternity leave	12 (19.7%)	4 (6.6%)	24 (39.3%)	21 (34.4%)	0 (0%)
Mental health care reimbursement or services	26 (42.6%)	2 (3.3%)	4 (6.6%)	28 (45.9%)	1 (1.6%)
Paid family leave (beyond 8 weeks required under CA law)	20 (32.8%)	2 (3.3%)	14 (23%)	25 (41%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	17 (27.9%)	25 (41%)	10 (16.4%)	9 (14.8%)	0 (0%)

	My job does not offer this benefit	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer.
Paid time off (vacation)	24 (39.3%)	28 (45.9%)	3 (4.9%)	6 (9.8%)	0 (0%)
Pension/retirement account	25 (41%)	13 (21.3%)	5 (8.2%)	17 (27.9%)	1 (1.6%)
Professional trainings	27 (44.3%)	20 (32.8%)	2 (3.3%)	12 (19.7%)	0 (0%)
Transportation benefits	39 (63.9%)	12 (19.7%)	1 (1.6%)	9 (14.8%)	0 (0%)
Vision care	26 (42.6%)	19 (31.1%)	6 (9.8%)	10 (16.4%)	0 (0%)
Wellness days	40 (65.6%)	2 (3.3%)	2 (3.3%)	17 (27.9%)	0 (0%)

It is possible that employees may choose to opt out of benefits they do not need; for example, people without dependents would not need child care/elder care reimbursement or services. While our data do not comprehensively explain why employees choose to opt out of benefits, especially health benefits, they raise concerns regarding affordability and ease of access. For example, it is possible that employees choose not to enroll in employer-sponsored health insurance if they cannot afford to pay their share of the premium; alternatively, they may qualify for Covered California marketplace subsidies and purchase insurance on the healthcare exchange or be eligible for Medicaid. Moreover, there may be financial barriers to accessing benefits. For example, restaurant employees often choose not to take paid sick leave because they would only receive hourly wage replacement without tips. As Employee 6 explained,

When the majority of your income comes from gratuities and not just hourly wages, it's confusing because you're gonna get paid for the seven and a half or eight hours that you miss on an hourly basis. But there's no supplement for what you would have made in gratuities....What it really means is that people go to work sick when they should not, because they cannot afford to miss work.



Photo: [Freepik](#)

Two employees mentioned experiencing administrative burden when trying to access maternity or paid family leave after having a child. Employee 3 received maternity leave through their restaurant, and described the process of navigating between their restaurant's benefit and state-provided benefits as

confusing. You've got so many different bodies to talk to, you think it'd be a little more streamlined, but everybody has different services or coverage... It was like, 'Well, you can't throw out stuff until the baby's physically in this world.' Our HR people didn't really know what they were doing...And then disability insurance is different than the family bonding [under California Paid Family Leave]...So you have to fill out the paperwork for that, because because you can only get a medical note for the first six to eight weeks after you have the baby...After six, eight weeks, I have to prove that I can't come back to work...Really frustrating, especially if you just brought a human into the world.

In interviews, employees were asked if they would take the following benefits into consideration when thinking about applying for a new job or staying at their current job: childcare (e.g., stipends or reimbursement for services), family/maternity leave, health insurance, paid sick leave, retirement benefits, transit benefits, and paid time off (vacation). Five employees would take childcare into consideration. Employee 7, who initially answered “Yes”, also pointed out,

That being said, I've never heard of a restaurant that offers childcare or any stipend for childcare. I mean, maybe some do, but I've never seen or heard, so I would say no, I wouldn't consider that when looking for a job.

This suggests that a tension exists between which benefits employees would like to receive versus what they believe they could realistically receive or use. For example, three employees answered “Yes” regarding taking family and maternity leave into consideration. Employee 5 shared,

I would heavily consider [paid] family leave...Because even when my baby was born, I didn't really get to spend time with my child because the leave [at my restaurant] tends to be unpaid.

Twelve employees stated that they would take health insurance into consideration when deciding to stay at or leave their current job; 10 would take retirement benefits into consideration; 12 would take transit benefits into consideration; and 10 would take paid time off (vacation) into consideration.

Finding 5: Operators want to offer more generous benefits to workers, but financial constraints prevent them from doing so.

Operators were surveyed regarding their preference between offering certain benefits or raises to employees. The plurality or majority of operators would prefer to offer the following benefits over a pay raise: dental insurance, employee discounts, free meals/family meals, health insurance for self, health insurance for dependents, health insurance for partner, maternity leave, mental health care reimbursement or services, paid family leave, paid sick leave, paid time off, pension/retirement account, professional trainings, transit benefits, vision care, and wellness days (Table 13).

Table 13.

Operators’ Preferences between Offering a Benefit versus a Pay Raise

	Benefit	Pay Raise	Don’t know/ Unsure	Decline to answer
Child/elder care reimbursement or services	7 (17.9%)	11 (28.2%)	19 (48.7%)	2 (5.1%)
Dental insurance	21 (53.8%)	9 (23.1%)	8 (20.5%)	1 (2.6%)
Employee discounts	28 (71.8%)	7 (17.9%)	3 (7.7%)	1 (2.6%)
Free meals/family meals	31 (79.5%)	6 (15.4%)	2 (5.1%)	0 (0%)
Health insurance for self	28 (71.8%)	5 (12.8%)	5 (12.8%)	1 (2.6%)
Health insurance for dependents	21 (53.8%)	4 (10.3%)	12 (30.8%)	2 (5.1%)
Health insurance for partner	18 (46.2%)	7 (17.9%)	12 (30.8%)	2 (5.1%)
Maternity leave	19 (48.7%)	4 (10.3%)	13 (33.3%)	3 (7.7%)
Mental health care reimbursement or services	15 (38.5%)	7 (17.9%)	14 (35.9%)	(7.7%)
Paid family leave (beyond 8 weeks required under CA law)	17 (43.6%)	4 (10.3%)	14 (35.9%)	4 (10.3%)
Paid sick leave (beyond 3 days required under CA law)	23 (59%)	3 (7.7%)	10 (25.6%)	3 (7.7%)
Paid time off (vacation)	28 (71.8%)	5 (12.8%)	4 (10.3%)	2 (5.1%)
Pension/retirement account	19 (48.7%)	7 (17.9%)	10 (25.6%)	(7.7%)
Professional trainings	27 (69.2%)	(7.7%)	7 (17.9%)	2 (5.1%)
Transportation benefits	17 (43.6%)	8 (20.5%)	11 (28.2%)	3 (7.7%)
Vision care	20 (51.3%)	5 (12.8%)	12 (30.8%)	2 (5.1%)
Wellness days	14 (35.9%)	7 (17.9%)	14 (35.9%)	4 (10.3%)

All three operators interviewed mentioned that they would like to offer (more generous) benefits to their employees but lacked adequate financial resources to do so. For example, Operator 2's restaurant offered health insurance benefits before the pandemic. However,

We were so devastated by the pandemic that we decided to take away the health benefits. We used to offer benefits only to our employees, we never extended out to the families of the employees. We paid 60% of health benefits for each full-time employee pre-pandemic...[Approximately] six months into the pandemic, we stopped doing it just because we couldn't afford it...I think we were paying on average \$1,900 a month. And those \$1,900 during the pandemic, were just so critical that we just couldn't offer it anymore.

In contrast, Operator 1's restaurant started offering health insurance benefits to their employees during the pandemic. However, they were unable to offer paid sick leave on top of the three days guaranteed by California's paid sick leave law

because our payroll is already so high, and that doesn't include the benefits... It's not even an option to think about.

Finding 6: To mitigate high employee turnover post-pandemic, restaurants are trying to attract workers with competitive pay and benefits.

In interviews, restaurant employees and operators both described how retaining employees became more difficult after the onslaught of the pandemic, framing this as an industry-wide trend. All three operators interviewed mentioned higher staff turnover since the pandemic began. For example, Operator 1 shared that their restaurant started offering health insurance during the pandemic. Employee 10, a director of bakery options described,

I had to raise the hourly rate to get anyone to answer the job ad. And it's intense for the business. We can have \$23 an hour, or we can have nothing.

Two operators described how they felt pressured to offer higher wages despite employees' limited skills and experience and because of competition with fast food chains. Operator 3 described,

It has made us even raise wages for the front of the house, just for us to be able to grow the business even though the work experience is not there...We have to start at even above minimum wage just to bring someone in who's willing to be trained.

Operator 2 shared,

What's making it really hard right now are places like Panda Express, and McDonald's are starting to offer higher wages because they are having a hard time getting employees as well, like 19-20 bucks an hour to start...It's definitely affecting independent restaurants that are struggling.

Finding 7: Restaurants' choice of tip structure matters because it can improve wage equity between employees or exacerbate existing wage inequities.

The vast majority of employees and operators surveyed indicated that employees at their restaurants can earn tips (Appendix 2, Table 10; Appendix 4, Table 19). The most common tip structure indicated in both the operator and employee surveys was tip pooling, with 63.2% of operators and 68.4% of employees indicating that this was practiced at their restaurant. The next most common tip structure across both survey samples was tip sharing, with 26.3% of operators and 68.4% of employees indicating that their restaurant practiced it (Appendix 2, Table 11; Appendix 4, Table 20).

Roughly half of employees interviewed were satisfied with their restaurant's practice of tip pooling or tip sharing. The most common reasons were that these tip structures facilitated greater wage equity between front-of-house and back-of-house workers and provided earnings stability. For example, Employee 4, a sommelier, described,



Photo: [Louis Hansel](#)

Back of house wages are even more abysmal, and it's bad...As someone who works alongside those people every day, I want them to be making a fair wage. And if that means that part of the tips get redistributed to them...I feel fine about that...I think it's the most equitable way to incentivize all different aspects of the restaurant.

In contrast, employees who were unsatisfied with their restaurant's current tip structure were more likely to be back-of-house workers. For example, Employee 5, a line cook, described how their restaurant's tip share structure resulted in front-of-house employees getting overpaid relative to back-of-house workers:

Tipping is structured based on your position where you're at...or front-of-house and back-of-house. Different front-of-house employees get tips, everything from alcohol sales to food sales to just regular tipping as well... Back of the house get tips from just food sales, and we only get 30% of that... Personally, I don't like it...Because while we're going home with maybe an additional \$200, servers are going home with that additional \$500 to \$600 a night sometimes.

Four employees stated that they would favor replacing tipping with higher base wages, with Employee 1 expressing,

I think tipping is an excuse to pay people subpar wages.

Four employees were unsure about whether they would support replacing tipping with higher wages. Six employees felt that it would be difficult to replace tipping with higher wages because it would likely mean menu prices would have to increase, which could price out customers.



Photo: [Vanna Phon](#)

Finding 8: Some restaurants already use service charges or auto-gratuities to fund higher wages and benefits.

Four operators indicated on the survey that their restaurant charges an auto-gratuity or service surcharge of 9.3%, and three charged a health insurance contribution fee (7%) (Appendix 2, Table 13). Eleven employees responded that their restaurant charges an auto-gratuity/service surcharge (16.9%) and 16 responded that their restaurant charges a health insurance contribution fee (24.6%) (Appendix 4, Table 21).

In interviews, Operators 1 and 2 explained that their restaurant charges optional service charges intended for back-of-house employees. Two employees stated that their restaurant charged service charges to supplement wages, and seven employees noted that their restaurant's service charge supplements benefits, most commonly health benefits. Employee 8 also pointed out that this helps employees earn more than just their hourly wage when calling out sick:

If someone wants to use their sick hours, they're not only getting what the state minimum [wage] is, because we've charged a 20% service fee...[For example,] they're not just getting \$15 an hour for their sick pay. They're getting about \$21 [an hour] depending on what their hourly rate is.

Opinions varied regarding replacing tipping with service charges. All three operators felt that most customers would react negatively to it. Two employees opposed replacing tipping with service charges because they felt that overall take-home pay would decrease for workers, especially for front-of-house workers.

Finding 9: Wage theft in the restaurant industry is a persisting problem.

As discussed in Chapter 2, tipped minimum wages are banned in California (U.S. Department of Labor, 2023). By law, tipped restaurant employees must be paid at least the minimum wage and tips are considered additional to that. Although we are unable to draw conclusions about the overall prevalence of wage theft in the LAC restaurant industry, our data demonstrate two common ways that wage theft occurs: unpaid off-the-clock work and pay below the minimum wage.

For example, although the minimum wage is currently \$15.50 in California, the lowest minimum hourly wage before tips that employees reported on the survey was \$14.25 (Appendix 4, Table 16); in total, six respondents (9.2%) reported earning less than the state minimum wage (California Department of Industrial Relations, 2022). One employee noted in the free response section of the employee survey,

I saw many managers and bosses extorting tips during the pandemic. But it takes a lot of time and stress to gather evidence. Is there a way to keep my tips more transparent?

Additionally, as shown in Tables 2 and 4 of Appendix 7, estimated median hourly wages for various occupations and demographic groups in the LAC restaurant industry were below the California state minimum wage of \$14.00 per hour in 2020 (or \$13.00 per hour for employers with fewer than 26 employees) (California Department of Industrial Relations, 2022).

In interviews, two employees provided examples of wage theft when discussing their past restaurant work experiences. For example, Employee 12 described instances in which workers were told they would be paid

the minimum wage [of \$16.04], but we're only paid \$16.00. [The restaurant is] rounding all your tips to be included into your wage.

Employee 7 described a previous work experience in which they were expected to work off the clock:

I would come in two hours early every day just so I could be ready for service... They didn't make it explicitly a requirement. But they would also say, 'If you're not ready for service, you have no hope for advancement here.' So it's just something that you had to do. And I was just out of culinary school...I was happy to do it. But obviously, looking back, it's exploitative, they're getting free labor.

Finding 10: Operators and employees alike recognize that unionization increases employees' bargaining power and could likely lead to higher wages and better benefits for employees.

As discussed during interviews, opinions regarding unions varied. Twelve employees expressed positive feelings about unions, while seven employees shared that they do not support unionization. The pro-union workers believed that unionization would improve their working conditions, specifically through job protection, higher wages, and improved access to benefits. Employee 7 shared:

I think it's a good thing. I think anything that gives employees leverage is a good thing. ... If someone were to approach me about joining the union or starting a union here, I would probably be supportive.

Workers who expressed anti-union sentiments thought unionization could breed worker complacency and diminish merit-based promotions. However, the consensus across both pro- and anti-union workers was that unions give workers greater bargaining power in the workplace.

Operators expressed varying degrees of acceptance of unions in interviews. Operator 2 expressed views that match what Employee 9 hypothesized above—that employers would not support unionization. This quote gives insight into an employer's idea that unionization would negatively affect small businesses:



Photo: [Ashley Byrd](#)

I know as an employer, if [employees] were to unionize, we would have to close our doors, because there would just be no way we would be able to sustain it. So fast food workers have been talking about unionizing have been talking about doing the increase wage of \$22 an hour. As a small business owner, we would just have to shut our doors because it's not sustainable. So the employees that we currently do have, you know, they would most likely go apply there either way, because they would be like, hey, now I'm gonna make \$22 an hour. ... So it would be devastating to small businesses to have folks unionize.

While we do not know if unionization would cause restaurants to close or not, we do know that unions work to protect workers from overworking, underpayment, and more. Operator 1 shared that they think unions could protect restaurant workers from poor working conditions:

I can see where it could be beneficial to a lot of restaurants that well, I should say employees, it would be beneficial to some employees that are working in undesirable conditions where they would have that backup to help them navigate through tough work situations.

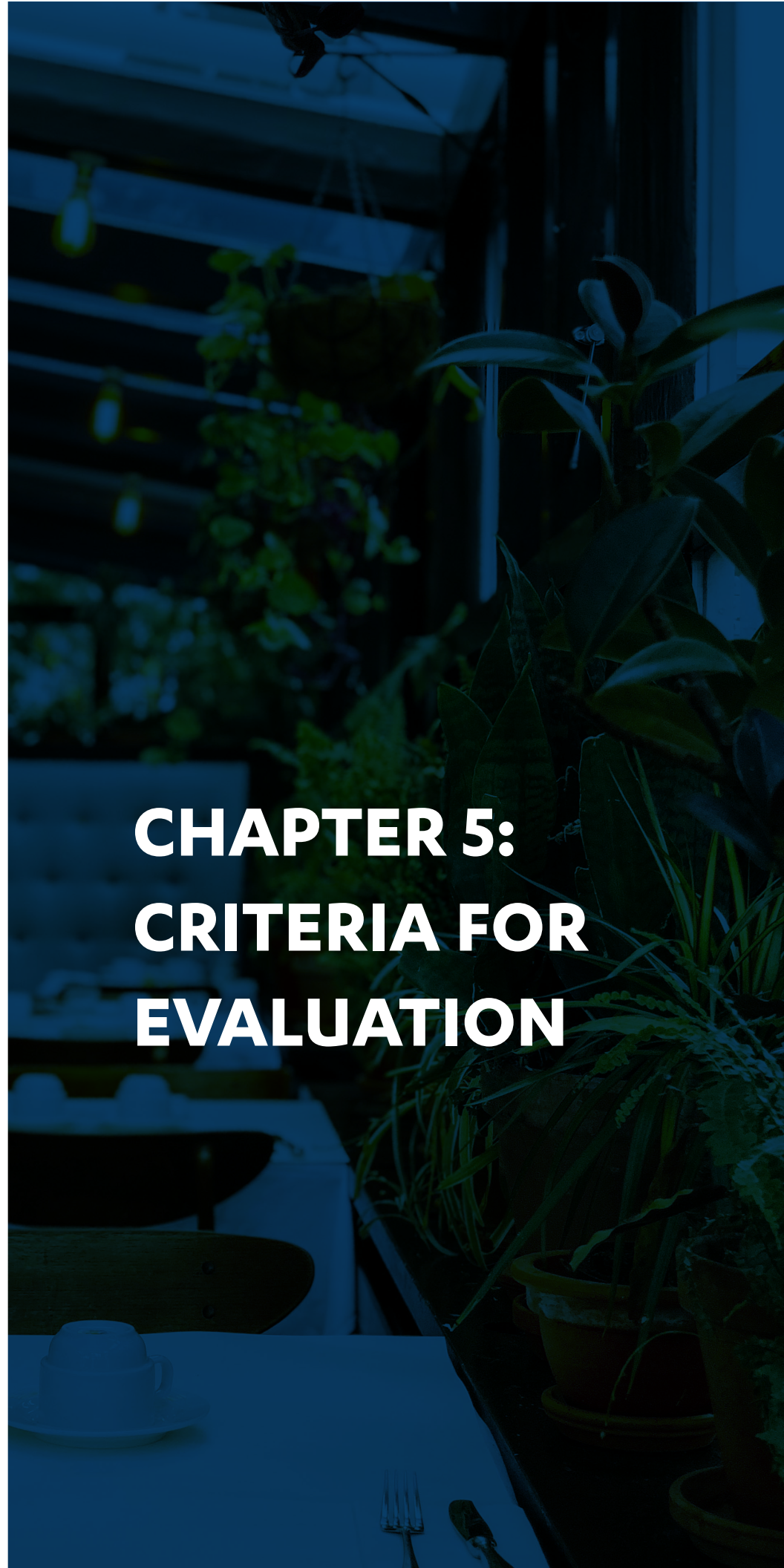
Finding 11: Post-pandemic, restaurant operators and employees believe customer education would help inform the dining public about the challenges related to running a restaurant.

The importance of customer education came up in both employee and operator interviews. In the wake of COVID-19, many restaurants have struggled to stay in business in LAC due to high rent, grocery prices, and overall cost of living. These struggles have resulted in higher prices and new service charges that have caused dissatisfaction for some customers. Operator 2 shared:

I will say some folks are completely against it. And some people have told us directly, ... 'You guys are just cheap. So you want me to pay your employees wage?' And that's kind of the difference where we have that conversation with the customers, because there's some people that they're gonna take [the service charge] off, but they call you over to the table to also tell you, 'Hey, you're being cheap by adding this on here.'

Some interviewees believed that if customers had a better understanding of the issues faced by the restaurant industry, they would be more understanding about rising prices when eating out. They felt that if customers were more aware of the costs of producing a meal (labor, food, rent, and overhead), they would better understand the true value of the menu items they order. Operator 2 also shared:

But it has to be ... understood that when wages rise, when product goes up in terms of cost of goods, pricing is going to also go up, how do we educate the customer, in a sense, because I get it, if I go to the same place where, you know, I ate two months ago, and they take their, their cost up \$1 I get why they're doing it, because I know that I know everything that goes into it. However, as a restaurant, we don't do a good job of saying, 'Hey, do you know that I have to pay workman's comp[ensation]?' ... And I think as an industry, we need to do a better job informing the consumer on what those struggles are, because the reality is, if you're gonna go out and dine, you're treating yourself you're celebrating something.



CHAPTER 5: CRITERIA FOR EVALUATION

We applied the following criteria to evaluate operator policy options: Equity (1), Economic Feasibility (2), Employee Satisfaction (3), and Political Feasibility (4). We assigned ratings of high, medium, and low for each criterion as defined below.

We based these criteria ranking decisions on independently operated, full-service restaurants which comprise the greatest share of restaurants in LAC (Gase et al., 2019).

First Level Criteria: Equity

High	Medium	Low
This policy enhances workplace equity and significantly lessens wage disparity and/or increases access to benefits.	This policy slightly improves workplace equity and mildly lessens wage disparity and/or increases access to benefits.	This policy does not promote workplace equity and exacerbates wage disparity and/or barriers to access to benefits.

Second Level Criteria: Economic Feasibility

High	Medium	Low
This policy results in little to no increase of restaurant's operating costs and/or will likely increase revenue streams.	This policy results in a mild increase of restaurant's operating costs and/or might increase revenue streams.	This policy results in a large increase of restaurant's operating costs and/or will likely decrease revenue streams.

Third Level Criteria: Employee Satisfaction

High	Medium	Low
This policy improves most workers' satisfaction and, in turn, reduces costly worker turnover.	This policy makes some workers feel more satisfied and may reduce turnover.	This policy improves worker satisfaction for few workers and will likely increase worker turnover.

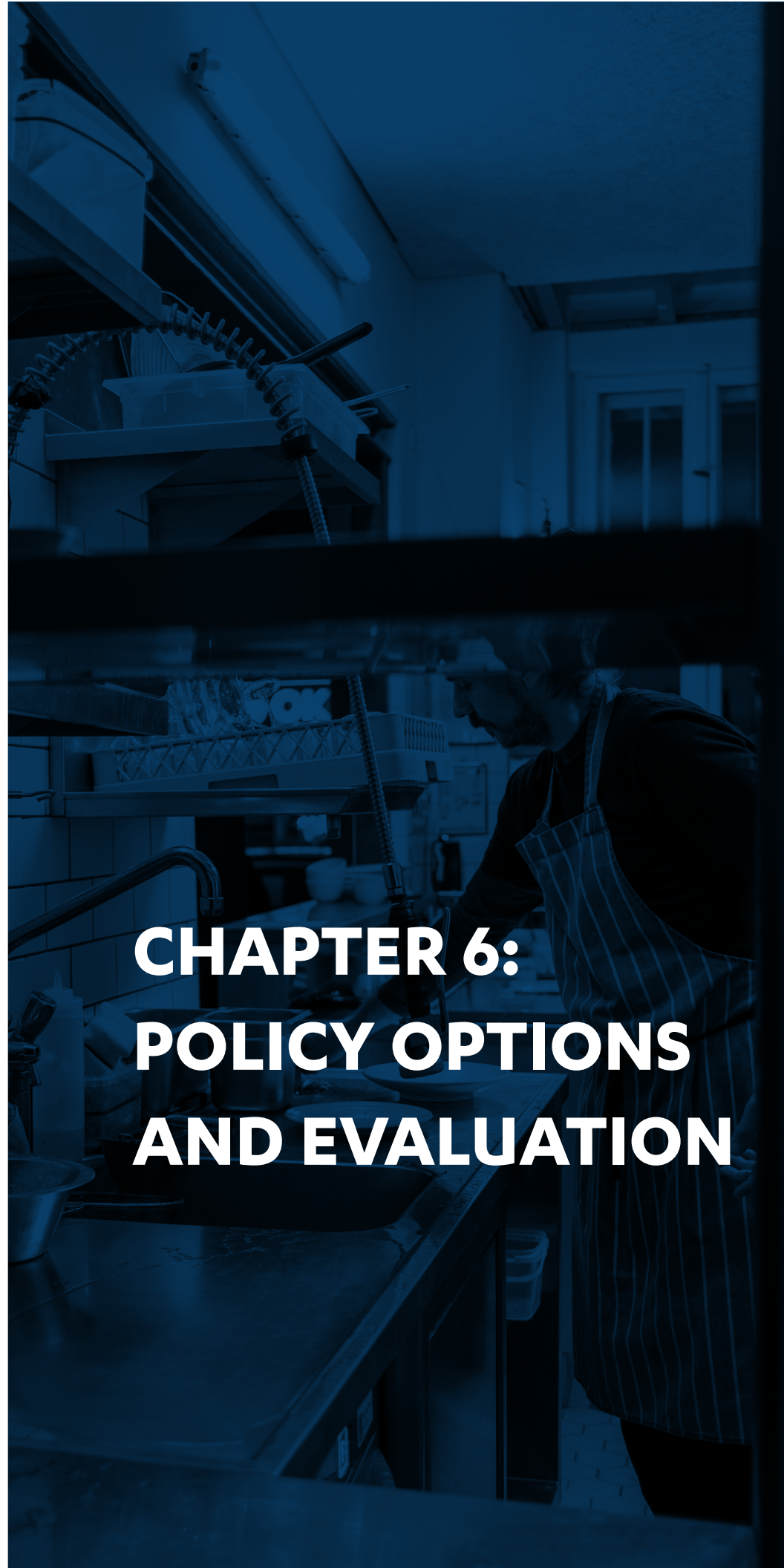
Fourth Level Criteria: Political Feasibility

High	Medium	Low
This policy receives high political acceptance from the general public and few and/or no customers will stop patronizing the restaurant.	This policy receives lukewarm political acceptance from the general public and/or some customers will stop patronizing the restaurant.	This policy receives low political acceptance and most and/or many customers will stop patronizing the restaurant.

Flowchart

We evaluated our operator options using a flowchart (Figure 5). The flowchart allowed us to assess each option in a stepwise fashion based on our defined criteria.

1. As we highly prioritized policy options that could promote equity for all restaurant workers, we chose to start our analysis with the equity criterion. If a policy option’s Equity score was “low” or “medium,” this option was eliminated.
2. Remaining options were assessed based on their economic feasibility for the restaurateurs. Policy options with a “low” or “medium” Economic Feasibility score were removed from consideration.
3. Remaining options were then assessed on their ability to improve employee satisfaction. If a policy option’s Employee Satisfaction score was “low” or “medium,” this option was eliminated.
4. Finally, the remaining options were assessed according to their political feasibility – the acceptability from the dining public. Options that were scored as “low” for Political Feasibility were eliminated from our chart.
5. Any remaining options are considered to promote equity, improve employee satisfaction, and be both economically and politically feasible.



**CHAPTER 6:
POLICY OPTIONS
AND EVALUATION**



Photo: [Joshua Rodriguez](#)

Based on the findings from our literature review (see “Chapter 2: Background”), surveys, and interviews, we identified two main policy goals to promote workplace equity and enhance job satisfaction for restaurant workers in LAC:

1. To promote fair and equitable wages;
2. To increase access to benefits.

As previously outlined in our stakeholder map, operators, policymakers, and restaurant coalitions such as MORE have significant power and interest in implementing changes that would affect restaurant workers. To achieve these policy goals, we first need to address the financial difficulties reported by restaurant operators. According to our findings, operators wish to provide their employees with higher wages and more benefits, but face costs as a primary barrier. We propose seven potential policy options for financing increased wages and/or benefits for employees and which address this economic barrier. We assess these options according to the above criteria. We then evaluate which benefits are prioritized by employees and should be more urgently addressed by operators.

As workplace equity, job satisfaction, and restaurant financial sustainability are crucial issues that cannot be resolved by restaurant operators alone, we also pair our survey and interview findings to additional options for the MORE and policymakers.

Chapter Photo: [Simon](#)

Table 14.
Operator Policy Options

Operator Policy Options
Option 1: Service charge/fee no greater than 10% to supplement employee wages and voluntary tipping remains.
Option 2: Service charge/fee no greater than 10% to supplement employee benefits and voluntary tipping remains.
Option 3: Automatic gratuity between 15-25% which would replace voluntary tipping.
Option 4: Increase menu prices to supplement employee wages and voluntary tipping remains.
Option 5: Increase menu prices to supplement employee benefits and voluntary tipping remains.
Option 6: Service-inclusive menu pricing which would replace voluntary tipping.
Option 7: Tip pool/share restructuring to ensure equitable wage distribution between front-of-house and back-of-house.

Evaluation of Operator Options

Option 1: Service charge/fee no greater than 10% to supplement employee wages and voluntary tipping remains.

Operators would implement a service charge to supplement employees' wages. To minimize customer sticker shock, the service charge would comprise less than 10% of the bill, ideally between 3-5%. Individual restaurant operators would determine the exact percentage as well as how to equitably distribute the service charge to front-of-house and back-of-house employees. This service charge does not replace voluntary tipping. As customers may not wish to pay both a service charge and a voluntary tip, operators may decide to make the fee removable upon customer request.

Table 15.
Evaluation of Option 1

Equity: High	This option produces revenue to supplement employee wages, which lessens employee wage disparity.
Economic Feasibility: High	This option adds an additional revenue stream to supplement employee wages, which does not disrupt pre-existing operating costs. Several interviewees mentioned that either their restaurant or a restaurant they have visited have implemented a similar service charge. This prevalence suggests this option is feasible for restaurants to implement.
Employee Satisfaction: Medium	At restaurants that choose to keep voluntary tipping, we predict that this option would depress tipping of front-of-house employees. Additionally, front-of-house employees may have to face questions or complaints from customers regarding the additional charge.
Political Feasibility: Medium	Service charges can produce highly polarized reactions from restaurant customers. While most may accept an additional charge on their bill, others may wish to have it removed or may even stop visiting a restaurant altogether.

Option 2: Service charge/fee no greater than 10% to supplement employee benefits and voluntary tipping remains.

Operators would implement a service charge to supplement benefits for their employees. To mitigate customer sticker shock, this charge would comprise less than 10% of the bill, ideally between 3-5%. This service charge would not replace voluntary tipping. As customers may not wish to pay both a service charge and a voluntary tip, operators may decide to make the fee removable upon customer request.



Photo: [Daniel Lee](#)

Table 16.
Evaluation of Option 2

Equity: High	This option would specifically fund employee benefits.
Economic Feasibility: High	This policy establishes a service charge to fund employee benefits without disrupting a restaurant's operating costs.
Employee Satisfaction: High	The majority of surveyed employees indicated that they would rather receive certain benefits (e.g., health insurance) than a pay raise. Adding a service charge specifically to fund employee benefits would likely increase job satisfaction.
Political Feasibility: Medium	Service charges can produce highly polarized reactions from restaurant customers. While most may accept an additional charge on their bill, others may wish to have it removed or even stop visiting a restaurant altogether.

Option 3: Automatic gratuity between 15-25% which would replace voluntary tipping.

Under this option, operators determine the percentage of automatic gratuity most appropriate for their restaurant, as well as how to equitably distribute the gratuity among front-of-house and back-of-house workers. Customers only pay the automatic gratuity and do not tip.

Table 17.
Evaluation of Option 3

Equity: High	By replacing voluntary tipping with automatic gratuity, this option would create more predictable earnings for employees. This would both increase earnings and reduce wage disparity. Removing tipping could reduce inequities between tipped employees due to racism, sexism, etc.
Economic Feasibility: High	This policy establishes automatic gratuity to supplement employee wages without disrupting a restaurant’s operating costs.
Employee Satisfaction: High	This option would significantly increase employee satisfaction by establishing more predictable earnings. As restaurant patrons would no longer decide tipping amounts, employees would earn at least 15% in gratuities per customer bill. This would also allow employees to focus on the quality of services provided instead of how they are perceived by customers.
Political Feasibility: Medium	Some customers may accept an automatic gratuity. Others may react negatively because they are accustomed to tipping based on their perception of the quality of service provided and stop dining at restaurants that implement this option.



Photo: [Samuel Regan-Asante](#)

Option 4: Increase menu prices to supplement employee wages and voluntary tipping remains.

Operators would increase menu prices specifically to supplement employee wages and determine how to equitably distribute these supplemental wage increases between employees. Customers would continue tipping as customary.

Table 18.

Evaluation of Option 4

Equity: High	This option increases wages for all employees without affecting their ability to continue receiving tips. This would lessen wage disparities and improve equity.
Economic Feasibility: High	This option creates an additional revenue stream for restaurants by raising menu prices specifically to fund employee wages. This would have little or no impact on a restaurant's existing operating costs.
Employee Satisfaction: High	This option increases employee satisfaction by boosting wages. It is unlikely that customers will change their tipping behavior, meaning employees overall will see an increase in their wages. Employees will not have to explain additional charges as the additional wages are incorporated directly into menu prices.
Political Feasibility: Medium	Some customers may respond negatively to increased menu prices and discontinue their patronage.



Photo: [Suad Kamardeen](#)

Option 5: Increase menu prices to supplement employee benefits and voluntary tipping remains.

Operators would increase menu prices specifically to fund employee benefits. Customers would continue tipping as customary.

Table 19.
Evaluation of Option 5

Equity: High	This option raises funds to expand benefits for all employees at a restaurant and thus increases access to benefits for all.
Economic Feasibility: High	By increasing menu prices, restaurants would have an additional dedicated revenue stream to provide their employees with benefits. Restaurants would not incur additional operating costs.
Employee Satisfaction: High	Workers indicate they would feel increased satisfaction if they were provided certain benefits. This option would therefore likely increase restaurant worker satisfaction.
Political Feasibility: Medium	Some customers may respond negatively to increased menu prices and discontinue their patronage.



Photo: [Albert Hu](#)

Option 6: Service-inclusive menu pricing which would replace voluntary tipping.

Operators would incorporate the total cost of service (employee wage and expected tip amount) when pricing menu items, replacing the need for voluntary tipping. Operators would set fair wages.

Table 20.
Evaluation of Option 6

Equity: High	This option would increase wages for all employees. This would help promote equity by lessening wage disparity. Removing tipping could reduce inequities between tipped employees due to racism, sexism, etc.
Economic Feasibility: High	This policy option would not generate additional operating costs for the restaurant. Rather, it would create an additional revenue stream sufficient to replace employee earnings from tipping.
Employee Satisfaction: High	Employees may feel more satisfied from having increased wages and no longer dealing with the unpredictability of tipping. However, this may decrease earning potential for the highest tipped employees.
Political Feasibility: Medium	Some customers may respond negatively to increased menu prices. On the other hand, some customers may prefer knowing all costs are included in a restaurant's menu pricing and no longer dealing with the additional cost of tipping.



Photo: [Blake Wisz](#)

Option 7: Tip pool/share restructuring to ensure equitable wage distribution between front-of-house and back-of-house.

This policy option relies on existing tipping practices as a source of employee earnings. Operators revise their current tip pooling or sharing structure to one that more equitably distributes tips between front-of-house and back-of-house employees.

Table 21.
Evaluation of Option 7

Equity: Medium	Redistributing existing tip amounts might improve the earnings of back-of-house employees while decreasing the earnings of front-of-house employees.
Economic Feasibility: High	This option does not produce additional operating costs and utilizes existing revenue streams.
Employee Satisfaction: Medium	Worker satisfaction may improve for workers whose tip share increases but worsen for workers whose tip share decreases.
Political Feasibility: High	Customers would not experience any changes on their bill and would likely be unaware of any changes produced by this policy option.

Table 22 summarizes our criteria ratings for each policy option.

Table 22.
Evaluation Summary

Option	Description	Criteria 1: Equity	Criteria 2: Economic Feasibility	Criteria 3: Employee Satisfaction	Criteria 4: Political Feasibility
1	Child/elder care reimbursement or services	High	High	Medium	Medium
2	Dental insurance	High	High	High	Medium
3	Employee discounts	High	High	High	Medium
4	Free meals/family meals	High	High	High	Medium
5	Health insurance for self	High	High	High	Medium
6	Health insurance for dependents	High	High	High	Medium
7	Health insurance for partner	Medium	High	Medium	High

To evaluate business practice options for operators, we used a flowchart (Figure 5) to eliminate options based on the four criteria. These are listed in order of importance and as they appear in the flowchart. While policy options were eliminated from the flowchart if they scored as medium or low for the first three criteria (Equity, Economic Feasibility, and Employee Satisfaction), they were only eliminated according to the last criteria (Political Feasibility) if they scored low. From our research, we determined that customers' perceptions are highly subjective, and the dining public would initially resist changes to their dining experience that go against industry norms. However, we contend that Equity, Economic Feasibility, and Employee Satisfaction should take precedence when thinking about which policy options can best improve restaurant workers' lives.

Figure 5.
Policy Evaluation Flowchart

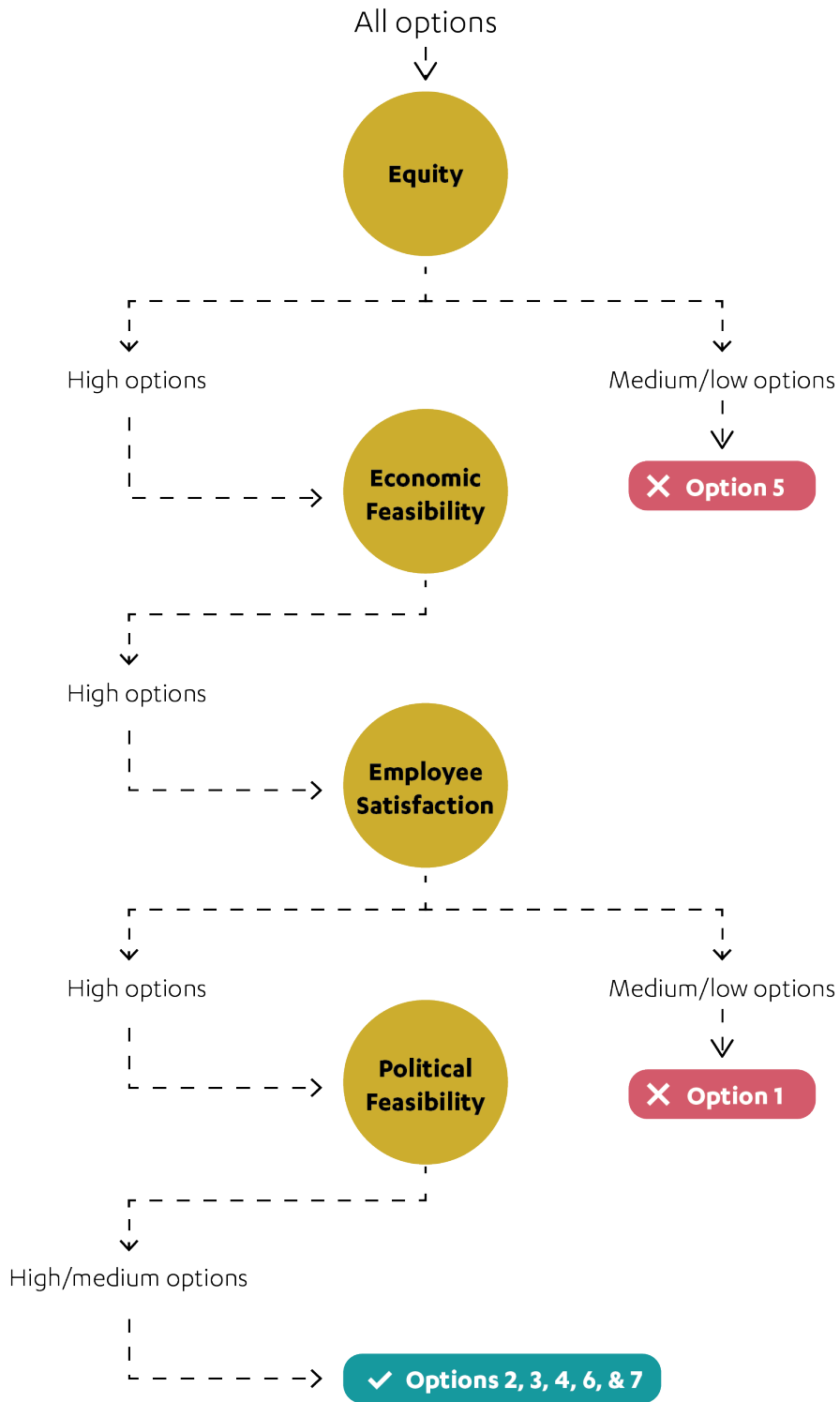




Photo: [Jesson Metta](#)

Evaluation of Employee Benefit Preferences

After evaluating policy options that help operators fund benefits for their employees, we present a list of possible benefits by employees' order of preference. Table 23 reorganizes findings from Chapter 4, by listing the benefits from highest to lowest percentages of surveyed employees preferring a given benefit to a pay raise. The majority of employees who completed the survey would prefer to receive the following benefits over a pay raise:

- Paid time off
- Health insurance for self
- Paid sick leave
- Pension/retirement account
- Paid family leave
- Mental healthcare reimbursement or services

Table 23

Preferences between Receiving a Benefits versus Pay Raise, All Employees

Benefit	n (%)
Paid time off (vacation)	43 (72.9%)
Health insurance for self	39 (66.1%)
Paid sick leave (beyond 3 days required under CA law)	39 (66.1%)
Pension/retirement account	36 (61%)
Paid family leave (beyond 8 weeks required under CA law)	33 (55.9%)
Mental health care reimbursement or services	32 (54.2%)
Free meals/family meals	28 (47.5%)
Health insurance for partner	28 (47.5%)
Maternity leave	28 (47.5%)
Dental insurance	27 (45.8%)
Wellness days	26 (44.1%)
Health insurance for dependents	25 (42.4%)
Vision care	25 (42.4%)
Professional trainings	21 (35.6%)
Transportation benefits	19 (32.2%)
Employee discounts	16 (27.1%)
Child/elder care reimbursement or services	7 (11.9%)

Government Policy Options

State and local governments have tremendous power to intervene to support fair and equitable wages and increased access to benefits for restaurant workers. Table 23 pairs relevant findings to potential state and local policies.

Finding	Option
<p>Finding 1: For many workers, working in the restaurant industry is a career path.</p>	<p>California and local governments increase the minimum wage.</p>
<p>Finding 3: Most restaurant operators surveyed currently offer some type of benefit to workers, but not necessarily the benefits that workers would prefer to receive.</p>	<p>California expands access to subsidized and affordable health care with reforms to Medi-Cal, Covered California, and private insurance.</p>
<p>Finding 5: Operators want to offer more generous benefits to workers, but financial constraints prevent them from doing so.</p>	<p>California expands access to Paid Sick Leave and prohibits usage restrictions by employers.</p> <p>California expands access to Paid Family Leave.</p> <p>California expands access to retirement plans and accounts specifically for workers without employer sponsored benefits.</p>
<p>Finding 4: Employees would take into consideration what benefits are available to them when deciding to stay at or leave their current job, but they also face barriers to accessing benefits.</p>	<p>California reduces administrative burdens for state benefits programs, including State Disability Insurance and Paid Family Leave.</p> <p>California continues to expand access to State benefits to undocumented immigrants, including Unemployment Insurance.</p>
<p>Finding 8: Some restaurants already use service charges or auto-gratuities to fund higher wages and benefits.</p>	<p>California and local governments pass policies to regulate service charges.</p>
<p>Finding 9: Wage theft in the restaurant industry is a persisting problem.</p>	<p>California ramps up wage theft regulation in the hospitality industries.</p>

Coalition Policy Options

MORE is a restaurant leader and advocate with significant power and interest to promote workplace equity. Table 25 pairs selected findings to potential options that can be implemented directly by MORE.

Table 25.
Coalition Policy Options

Finding	Option
Finding 1: For many workers, working in the restaurant industry is a career path	Support pathways for career development/ advancement for employees.
Finding 2: Better working conditions, pay, access to benefits, and job protection result in higher levels of job satisfaction and lower levels of turnover among restaurant workers.	Engage in employee education regarding tracking wages, reporting wage theft, and discussing concerns with management.
Finding 9: Wage theft in the restaurant industry is a persisting problem.	
Finding 7: Restaurants’ choice of tip structure matters because it can improve wage equity between employees or exacerbate existing wage inequities.	Engage in operator education regarding tip structures.
Finding 8: Some restaurants already use service charges or auto-gratuities to fund higher wages and benefits.	Engage in customer education regarding tipping, service charges, and menu price increases.
Figure 11: Post-pandemic, restaurant operators and employees believe customer education would help inform the dining public about the challenges related to running a restaurant.	
Finding 10: Operators and employees alike recognize that unionization increases employees’ bargaining power and could likely lead to higher wages and better benefits for employees.	Engage in operator and employee education regarding unionization if interest arises.



CHAPTER 7: POLICY RECOMMENDATIONS

Recommended Operator Policies

We prioritized policy options that have a high impact on equity, are highly economically feasible for operators, contribute highly to employee satisfaction, and receive at least medium political acceptance from the public. We recommend the five options listed in Table 26.

Table 26.
Recommended Operator Policies

Recommended Operator Policies
Policy Option 2: Service charge/fee no greater than 10% to supplement employee benefits and voluntary tipping remains.
Policy Option 3: Automatic gratuity between 15-25% which would replace voluntary tipping.
Policy Option 4: Increase menu prices to supplement employee wages and voluntary tipping remains.
Policy Option 5: Increase menu prices to supplement employee benefits and voluntary tipping remains.
Policy Option 6: Service-inclusive menu pricing which would replace voluntary tipping.

We understand that the LAC restaurant industry is not homogeneous, and that a single policy recommendation is unlikely to be successful for all restaurants. We instead recommend that operators determine which of these options is most appropriate for their restaurant, considering both their employees’ needs and the restaurant’s characteristics. For example, a fine dining restaurant may have more flexibility raising menu prices compared to a casual café because their customers are likely less price-sensitive.

Operators may choose to implement one of these options independently or apply multiple complementary options. For example, an operator can increase menu prices to supplement employee wages (Option 4) while implementing a service charge to supplement employee benefits (Option 2). Operators can also determine whether it is more feasible to begin implementation of one option first or implement more than one option concurrently. Operators should consider their employees’ priorities in choosing policy options.

Chapter Photo: [Chesley McCarty](#)



Photo: [Louis Hansel](#)

Political Feasibility is the lowest scored criteria for all these options, indicating that some customers may stop patronizing a restaurant that implements this policy. Operators must determine which options may be most politically acceptable for their customers, as some may prefer an automatic gratuity over seeing higher menu prices. When implementing a service charge, we recommend operators adopt a policy of transparency and traceability. For example, an operator may include disclaimers on menus and checks explaining the purpose of the service charge. Additionally, operators should be transparent with employees and provide a clear accounting of the revenue generated from the service charge. This ensures that customers know exactly what the fee is being used for and ensures that employees can track the additional revenue intended for their benefit. We further recommend accompanying these recommendations with customer education on the purpose and necessity of these policies.

While these five policies scored most highly, we recognize that all seven options can potentially promote equity and improve employee satisfaction. If an option outside of the primary five recommendations is most feasible for a given restaurant, we recommend operators implement this policy rather than continuing with the status quo. Restructuring an existing tip pool/share system, for example, would still promote equitable wage distribution between front-of-house and back-of-house employees.

Our findings suggest that restaurant operators should prioritize access to the benefits outlined in Table 27, as these are the ones employees consider most important. However, we also find that restaurant employees have highly individualized priorities according to their lived experiences and influenced by their current compensation packages. For this reason, we strongly encourage operators to engage in open dialogue with their employees to center their pay and benefit needs and preferences.

Table 27.

Benefits that the Majority of Employees Would Prefer to Receive Over a Raise, All Employees

Benefit	n (%)
Paid time off (vacation)	43 (72.9%)
Health insurance for self	39 (66.1%)
Paid sick leave (beyond 3 days required under CA law)	39 (66.1%)
Pension/retirement account	36 (61%)
Paid family leave (beyond 8 weeks required under CA law)	33 (55.9%)
Mental health care reimbursement or services	32 (54.2%)

Recommended Government Policies

Based on our findings, we recommend that MORE advocate for the following government policy options:

1. **California and local governments increase the minimum wage.** Governments should continue to increase the minimum wage to meet the basic needs of communities and to ensure workers are being paid a livable wage. It may be more politically feasible for new minimum wage ordinances to be passed at the city or county level than at the State level, given the recent pushback against California State Assembly Bill (AB) 257, which would have increased the minimum wage for fast-food workers (Hussain, 2023).
2. **California expands access to subsidized and affordable health care with reforms to Medi-Cal, Covered California, and private insurance.** The State can advance a range of policies that would expand access to affordable health insurance and health care, including policies that would increase Covered California subsidies and expand services covered under Medi-Cal and private insurance. MORE should support the policies advocated by the Care 4 All Coalition (Care 4 All California, 2023).

3. **California expands access to Paid Sick Leave and prohibits usage restrictions by employers.** California Senate Bill (SB) 616 would expand the number of sick days an employee can accrue and use from 3 days to 7 days (Senate Bill 616 Paid Sick Days: Accrual and Use, 2023). However, because restaurant workers may not make up lost tips, more creative policies should be considered, such as emergency funds for workers that are supported by the State or local governments.
4. **California expands access to Paid Family Leave.** In 2022, SB 951 was signed into law and will expand the Paid Family Leave wage replacement rates to 70-90% in 2025 (Office of Governor Gavin Newsom, 2022). MORE should support similar PFL access policies sponsored by the California Work & Family Coalition (California Work & Family Coalition, n.d.).
5. **California expands access to retirement plans and accounts specifically for workers without employer sponsored benefits.** The state of California could allow employers to match employee contributions in the CalSavers program or increase the type of plans/accounts offered by CalSavers.
6. **California reduces administrative burdens for State benefits programs, including State Disability Insurance and Paid Family Leave.** These include policies like AB 575, which remove the provision that prevents more than one caregiver from taking PFL when caring for the same family member. Additionally, it removes the provision that allows employers to require employees to first use “2 weeks of accrued vacation before they can receive PFL benefits.” This bill is also supported by the California Work & Family Coalition (California Work & Family Coalition, n.d.).
7. **California continues to expand access to State benefits to undocumented immigrants, including Unemployment Insurance.** Undocumented workers in the restaurant industry cannot access unemployment insurance benefits nor purchase insurance through the Covered California marketplace. The Safety Net for All and Health 4 All Coalitions are addressing these barriers with SB 227 and AB 4, respectively (Health Access California & California Immigrant Policy Center, 2023; Safety Net for All, 2023).

8. **California and local governments pass policies to regulate service charges.** State and local governments should follow the lead of Berkeley, Oakland, and Santa Monica in regulating service charges to ensure transparency and traceability. Policies like these are necessary to ensure all service charges intended for the benefit of employees actually benefits employees; and that all customers understand the purpose.
9. **California ramps up wage theft regulation in the hospitality industries.** Wage theft continues to be a persistent issue in the restaurant industry. The California Labor Commissioner's Office must increase outreach and awareness efforts regarding workers' rights so that workers can file wage theft claims without fear of retaliation.

Recommended Coalition Policies

Based on our findings, we recommend that MORE focus on five options. Below, we recommend some specific policies MORE can implement within each broader option.

1. **Support pathways for career development/advancement for employees.** Our findings demonstrate that many restaurant employees view their restaurant jobs as their careers. To support such employees, MORE can help fund or provide additional experience or skills-building, such as cooking courses or management training. As employees encounter these opportunities for development and potentially higher access to wages and benefits, restaurants will see higher employee satisfaction and decreased employee turnover. Such initiatives must center employees from historically marginalized backgrounds who remain underrepresented in higher management positions.
2. **Engage in employee education regarding tracking wages, reporting wage theft, and discussing concerns with management.** Currently, researching topics like tipping, service charges, and wage theft is time-consuming and confusing. MORE can create digestible and approachable resource guides outlining such topics that are of high importance and interest to employees. Furthermore, MORE must promote a culture of transparency, communication, and accountability from operators to employees.



Photo: [Victoria Kubiaki](#)

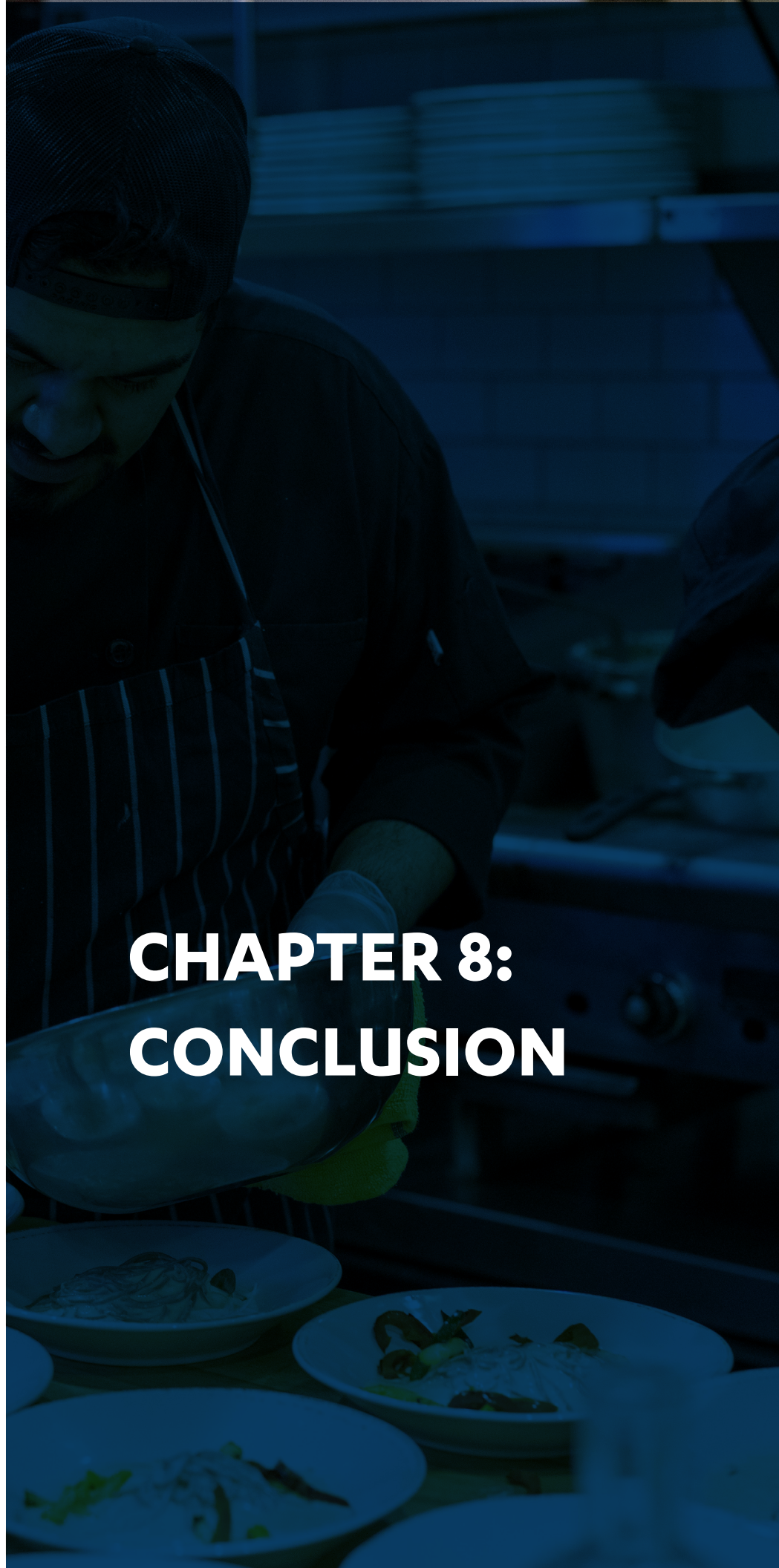
3. **Engage in operator education regarding tip structures.** Our findings demonstrate that certain tip structures can promote workplace equity. We recommend that MORE create guidelines for restaurant operators to develop equitable tipping structures that center their employees' needs and views (Bovet, n.d.). MORE can reference existing resource hubs as models (California Work & Family Coalition, n.d.).
4. **Engage in customer education regarding tipping, service charges, and menu price increases.** Customers' perceptions of the restaurant industry are important for implementing and sustaining progressive policy. To mitigate negative customer reactions, MORE can support restaurant pioneers through customer education. This can include resource guides, fliers, information boards in restaurants, social media infographics, formal conversations such as roundtable discussions in person or online, and more informal conversations during day-to-day interactions.
5. **Engage in operator and employee education regarding unionization if interest arises.** Unionization has high potential to increase wages and access to benefits in a worker-led manner. While we understand this can imply increased costs to operators, unions can help restaurants function more efficiently, create safer and more satisfactory workplace environments, and increase employee retention. As unionization efforts grow nationwide, we recommend that MORE take this opportunity to be a leader in worker-focused advocacy by educating operators and employees alike about the benefits of unionization.

Additional Considerations

Currently, many view the restaurant industry as transitional or temporary employment. Through our findings, we believe that recognizing restaurant work as a career path will lead to less turnover and higher employee satisfaction. In addition, prioritizing improvements to management responsibilities, systems organization, and industry norms will help move the needle toward long-term employment. Some ways to do this include:

- Addressing scheduling issues such as improving flexibility and advance notification of work schedule;
- Better protecting workers from sexual harassment and racial discrimination;
- Improving workplace culture;
- Encouraging a work-life balance that recognizes mental health and burnout; and
- Moving away from tipping as a perceived way to reward service.

Developing these solutions in collaboration with workers will significantly improve the lived experiences of restaurant workers and the restaurant industry's sustainability. In addition to unionization, revenue sharing models and worker-owned cooperatives should also be considered in efforts to redefine toxic industry norms and promote a worker-centered future.



CHAPTER 8: CONCLUSION

Conclusion

The COVID-19 pandemic devastated the restaurant industry. Prolonged restaurant closures exacerbated existing problems such as low profit margins and high employee turnover. The pandemic also highlighted problems affecting restaurant employees: poor working conditions, low pay, and lack of access to benefits such as health insurance, paid sick leave, and paid family leave. As restaurants struggled to stay open, millions of workers experienced job insecurity or were exposed to increased occupational stresses and health hazards. Ultimately, the pandemic underscored how the industry's existing norms and practices have always been unsustainable.

We set our research in LAC because it is a leader in national policy discourse and industry standards. Our project identifies policies to improve the restaurant industry by focusing on workplace equity and job satisfaction. Our findings support that higher wages and greater access to benefits for employees are necessary for the industry's long-term sustainability. Therefore, we propose solutions that enable restaurants to generate additional revenue to fund higher wages and benefits. We also identify government policies that our client, MORE, can target in their legislative advocacy. Furthermore, we suggest opportunities for MORE to take lead on promoting sustainable business practices and educating the public on issues faced by the restaurant industry. With the help of MORE's collective voice, we hope our recommendations can inspire a more equitable restaurant industry.

Photo: [Elevate](#)

References

- Assembly 257 Food facilities and employment, 257, California State Assembly, 2021–2022, Labor (2022).
https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB257
- Batt, R., Lee, J. E., & Lakhani, T. (2014). A National Study of Human Resource Practices, Turnover, and Customer Service in the Restaurant Industry (p. 32). Restaurant Opportunities Centers United.
<https://archive.ilr.cornell.edu/sites/default/files/National-Study-of-Human-Resource-Practices-High-Turnover-and-Customer-Service-in-the-Restaurant-Industry.pdf>
- Berkeley Municipal Code. (n.d.). 13.99.050 Hospitality Service Charges. Berkeley Municipal Code. Retrieved April 12, 2023, from <https://berkeley.municipal.codes/BMC/13.99.050>
- Bovet, A. (n.d.). Common Tip Structures for Standard Restaurant Operations. TipHaus Learning Center. Retrieved April 13, 2023, from <https://learn.tiphaus.com/en/articles/5849854-common-tip-structures-for-standard-restaurant-operations>
- Brewster, Z. W., & Lynn, M. (2014). Black–White Earnings Gap among Restaurant Servers: A Replication, Extension, and Exploration of Consumer Racial Discrimination in Tipping. *Sociological Inquiry*, 84(4), 545–569. <https://doi.org/10.1111/soin.12056>
- Bufquin, D., Park, J.-Y., Back, R. M., de Souza Meira, J. V., & Hight, S. K. (2021). Employee work status, mental health, substance use, and career turnover intentions: An examination of restaurant employees during COVID-19. *International Journal of Hospitality Management*, 93, 102764. <https://doi.org/10.1016/j.ijhm.2020.102764>
- Cal. Lab. Code § 350. (n.d.). Section 350—Definitions, Cal. Lab. Code § 350. Retrieved April 11, 2023, from <https://casetext.com/statute/california-codes/california-labor-code/division-2-employment-regulation-and-supervision/part-1-compensation/chapter-3-privileges-and-perquisites/article-1-gratuities/section-350-definitions>
- California Department of Aging. (2021). California’s Master Plan for Aging. <https://www.aging.ca.gov/download.ashx?lE0rcNUV0zZe1bBmXluFyg%3d%3d>
- California Department of Industrial Relations. (n.d.-a). Examples of Wage Theft. Retrieved April 11, 2023, from https://www.dir.ca.gov/dlse/Examples_of_Wage_Theft.html

- California Department of Industrial Relations. (n.d.-b). Tips and gratuities. Retrieved April 13, 2023, from https://www.dir.ca.gov/dlse/faq_tipsandgratuities.htm
- California Department of Industrial Relations. (n.d.-c). Wage Theft. Retrieved April 11, 2023, from https://www.dir.ca.gov/fraud_prevention/Wage-Theft.htm
- California Department of Industrial Relations. (2016). Healthy Workplace Healthy Family Act of 2014 (AB 1522). <https://www.dir.ca.gov/dlse/ab1522.html>
- California Department of Tax and Fee Administration. (2018). Publication 115, Tips, Gratuities, and Service Charges. <https://www.cdtfa.ca.gov/formspubs/pub115/#optional>
- California Employment Development Department. (n.d.-a). California Paid Family Leave. Retrieved February 17, 2023, from <https://edd.ca.gov/en/disability/paid-family-leave/>
- California Employment Development Department. (n.d.-b). CalSavers Retirement Savings Program. Retrieved April 13, 2023, from <https://edd.ca.gov/en/employers/calsavers>
- California Employment Development Department. (n.d.-c). FAQs—Paid Family Leave Eligibility. Retrieved April 13, 2023, from https://edd.ca.gov/en/disability/faq_pfl_eligibility/
- California Employment Development Department. (2023). Unemployment Benefits Data [Data set] (Sacramento, CA). <https://edd.ca.gov/en/newsroom/facts-and-stats/dashboard/#TotalUnemploymentClaims>
- California Work & Family Coalition. (n.d.). 2023 Legislative Priorities. California Work & Family Coalition. Retrieved April 13, 2023, from <https://www.workfamilyca.org/legislative-priorities-2023>
- CalSavers. (n.d.). CalSavers | A simple, trusted way to save for retirement. CalSavers. Retrieved April 13, 2023, from <https://www.calsavers.com/jahia/cms/render/live/en/sites/CAU/home.html>
- Care 4 All California. (2023, April 13). 2023 Legislative and Budget Priorities. 2023 Legislative and Budget Priorities. <https://care4allca.org/2023-legislative-and-budget-priorities/>
- City of Los Angeles, Office of Wage Standards. (n.d.). Retrieved February 16, 2023, from <https://wagesla.lacity.org/>

- City of Oakland. (n.d.). Measure FF Interpretive Regulations. Retrieved April 12, 2023, from <https://www.oaklandca.gov/topics/measure-ff-and-measure-z>
- City of Santa Monica. (n.d.). Santa Monica's Minimum Wage Frequently Asked Questions. Retrieved April 13, 2023, from https://www.santamonica.gov/Media/Minimum_Wage/MinimumWageFAQ_English.pdf
- Eisenberg, S. N., & Williams, J. T. (2015). Evolution of Wage Issues in the Restaurant Industry. *ABA Journal of Labor & Employment Law*, 30(3), 389–408.
- Esposito, C., Leamer, E., & Nickelsburg, J. (2021). Who Paid Los Angeles' Minimum Wage? A Side-by-Side Minimum Wage Experiment in Los Angeles County (No. w28966; p. w28966). National Bureau of Economic Research. <https://doi.org/10.3386/w28966>
- Hackett, A. (2023). Wage Gaps, Equity and Economic Growth. U.S. Department of Labor Blog. <http://blog.dol.gov/2023/03/08/wage-gaps-equity-and-economic-growth>
- Hancer, M., & George, R. T. (2003). Job Satisfaction Of Restaurant Employees: An Empirical Investigation Using The Minnesota Satisfaction Questionnaire. *Journal of Hospitality & Tourism Research*, 27(1), 85–100. <https://doi.org/10.1177/1096348002238882>
- Harknett, K., & Schneider, D. (2022). Mandates Narrow Gender Gaps In Paid Sick Leave Coverage For Low-Wage Workers In The US. *Health Affairs*, 41(11), 1575–1582. <https://doi.org/10.1377/hlthaff.2022.00727>
- Health Access California & California Immigrant Policy Center. (2023). Accessing Coverage in Covered California AB 4 Fact Sheet. Health Access California. https://health-access.org/wp-content/uploads/2023/03/2023_health4all_factsheet_FNL.pdf
- Hill, H. D. (2013). Paid Sick Leave and Job Stability. *Work and Occupations*, 40(2), 143–173. <https://doi.org/10.1177/0730888413480893>
- Hussain, S. (2023, January 25). Californians to Vote on Overturning a New Law that Could Raise Fast-Food Worker Wages. *Los Angeles Times*. <https://www.latimes.com/business/story/2023-01-24/californians-to-vote-on-overturning-a-new-law-that-could-raise-fast-food-worker-wages>
- Internal Revenue Service. (n.d.). Identifying Full-time Employees. Retrieved April 11, 2023, from <https://www.irs.gov/affordable-care-act/employers/identifying-full-time-employees>

- Kleiman, E. (2016, January 22). Why tipping is bad for restaurants and “all-in” pricing is the most honest solution. *Los Angeles Times*. <https://www.latimes.com/business/la-fo-all-in-restaurants-20160123-story.html>
- Kuang, J. (2022, September 30). Newsom signs bill making family leave affordable to more workers. *CalMatters*. <http://calmatters.org/california-divide/2022/09/paid-family-leave/>
- La Lopa, J., Kavanaugh, R., & Ghiselli, R. (2000). The Impact of Offering Benefits to Part-Time Employees on Turnover Rates at Indiana’s Quick Service Hamburger Restaurant Chains. *Foodservice Research International*, 12(4), 263–276. <https://doi.org/10.1111/j.1745-4506.2000.tb00023.x>
- Lippert, J., Rosing, H., & Tendick-Matesanz, F. (2020). The health of restaurant work: A historical and social context to the occupational health of food service. *American Journal of Industrial Medicine*, 63(7), 563–576. <https://doi.org/10.1002/ajim.23112>
- Lynn, M. (2017). Should U.S. Restaurants Abandon Tipping? A Review of the Issues and Evidence. *Psychosociological Issues in Human Resource Management*, 5(1), 120–159.
- Lynn, M., & Brewster, Z. W. (2018). A within-restaurant analysis of changes in customer satisfaction following the introduction of service inclusive pricing or automatic service charges. *International Journal of Hospitality Management*, 70, 9–15. <https://doi.org/10.1016/j.ijhm.2017.11.001>
- Maclean, J. C., Pichler, S., & Ziebarth, N. R. (2020). Mandated Sick Pay: Coverage, Utilization, and Welfare Effects (Working Paper No. 26832). National Bureau of Economic Research. <https://doi.org/10.3386/w26832>
- Molla, R. (2022, October 28). Where do restaurant “service fees” really go? *Vox*. <https://www.vox.com/recode/23426907/restaurant-service-fee-charge-tipping-inflation-confusion>
- Namasivayam, K., & Upneja, A. (2007). Employee Preferences for Tipping Systems. *Journal of Foodservice Business Research*, 10(2), 93–107. https://doi.org/10.1300/J369v10n02_07
- National Restaurant Association. (2022). State of the Restaurant Industry 2022. <https://restaurant.org/nra/media/research/reports/2022/soi2022-summary.pdf>
- Office of Governor Gavin Newsom. (2022, September 30). California Expands Support for Working Families. California Governor. <https://www.gov.ca.gov/2022/09/30/california-expands-support-for-working-families/>

- O’Grady v. Merchant Exchange Productions, Inc., 41 Cal. App. 5th 771 (Court of Appeal, 1st Appellate Dist., 2nd Div. 2019).
- One Fair Wage, & UC Berkeley Food Labor Research Center. (2021a). It’s a Wage Shortage, Not a Worker Shortage: Why Restaurant Workers, Particularly Mothers, Are Leaving the Industry, and What Would Make Them Stay. https://onefairwage.site/wp-content/uploads/2021/05/OFW_WageShortage_F.pdf
- One Fair Wage, & UC Berkeley Food Labor Research Center. (2021b). No Rights, Low Wages, No Service: How Increased Violations of Workers’ Rights in 2021, Coupled with High Harassment and Low Wages and Tips, Have Pushed Workers to Leave the Service Sector. https://onefairwage.site/wp-content/uploads/2021/09/OFW_NationalWageTheft.pdf
- Restaurant Opportunities Centers United. (2015). Racial and Gender Occupational Segregation in the Restaurant Industry. <https://laborcenter.berkeley.edu/pdf/2015/racial-gender-occupational-segregation.pdf>
- Restaurant Opportunities Centers United. (2022). The Impact of COVID-19 on Restaurant Workers Across America. <https://stateofrestaurantworkers.com/covid-impact-report/>
- Robinson, E. (2019). If A Restaurant Adds A Surcharge, Do I Still Have To Tip? LAist. <https://laist.com/news/food/restaurant-surcharge-tip-los-angeles>
- Ruggles, Steven, Flood, Sarah, Goeken, Ronald, Schouweiler, Megan, & Sobek, Matthew. (2022). IPUMS USA: Version 12.0 [dataset] (Minneapolis, MN; 12.0) [Data set]. <https://doi.org/10.18128/D010.V12.0>
- Safety Net for All. (2023, April 14). 2023 Safety Net for All Workers Campaign Updates. Safety Net for All. <https://www.safetynetforall.org/campaign-updates>
- Schumacher, K. (2022, February). Paid Family Leave Payments Don’t Add Up for California Workers. California Budget and Policy Center. <https://calbudgetcenter.org/resources/paid-family-leave-program-is-out-of-reach-for-many-californians/>
- Senate Bill 616 Paid Sick Days: Accrual and Use., SB 616, 2023-2024, California Legislature 2023-2024 Regular Session, Labor (2023). https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB616

- Shierholz, H. (2014). Low Wages and Few Benefits Mean Many Restaurant Workers Can't Make Ends Meet (No. 383; Briefing Paper). Economic Policy Institute. <https://www.epi.org/publication/restaurant-workers/>
- Shriver Center on Poverty Law. (2019, August 13). The Racist History Behind America's Tipping Culture. <https://www.povertylaw.org/article/the-racist-history-behind-americas-tipping-culture/>
- Sommerville, K. L. (2007). Hospitality employee management and supervision: Concepts and practical applications. John Wiley.
- U.S. Bureau of Labor Statistics. (n.d.-a). Hires: Accommodation and Food Services [JTS7200HIL]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS7200HIL>
- U.S. Bureau of Labor Statistics. (n.d.-b). Job Openings: Accommodation and Food Services [JTS7200JOL]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS7200JOL>
- U.S. Bureau of Labor Statistics. (n.d.-c). Quits: Accommodation and Food Services [JTU7200QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTU7200QUR>
- U.S. Bureau of Labor Statistics. (n.d.-d). Quits: Construction [JTS2300QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS2300QUR>
- U.S. Bureau of Labor Statistics. (n.d.-e). Quits: Health Care and Social Assistance [JTS6200QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS6200QUR>
- U.S. Bureau of Labor Statistics. (n.d.-f). Quits: Manufacturing [JTS3000QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS3000QUR>
- U.S. Bureau of Labor Statistics. (n.d.-g). Quits: Retail Trade [JTS4400QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS4400QUR>
- U.S. Bureau of Labor Statistics. (n.d.-h). Quits: Total Private [JTS1000QUR]. FRED, Federal Reserve Bank of St. Louis. Retrieved March 21, 2023, from <https://fred.stlouisfed.org/series/JTS1000QUR>

- U.S. Department of Health and Human Services. (n.d.-a). Employer shared responsibility payment (ESRP)—Glossary. HealthCare.Gov. Retrieved February 17, 2023, from <https://www.healthcare.gov/glossary/employer-shared-responsibility-payment>
- U.S. Department of Health and Human Services. (n.d.-b). Health insurance for businesses. HealthCare.Gov. Retrieved February 17, 2023, from <https://www.healthcare.gov/small-businesses/learn-more/explore-coverage/>
- U.S. Department of Health and Human Services. (n.d.-c). Overview of SHOP: Health insurance for small businesses. HealthCare.Gov. Retrieved February 17, 2023, from <https://www.healthcare.gov/small-businesses/choose-and-enroll/shop-marketplace-overview/>
- U.S. Department of Labor. (n.d.-a). Earnings Disparities. DOL. Retrieved April 13, 2023, from <http://www.dol.gov/agencies/ofccp/about/data/earnings>
- U.S. Department of Labor. (n.d.-b). Fact Sheet #15: Tipped Employees Under the Fair Labor Standards Act (FLSA). U.S. Department of Labor. Retrieved March 22, 2023, from <http://www.dol.gov/agencies/whd/fact-sheets/15-tipped-employees-flsa>
- U.S. Department of Labor. (n.d.-c). Tip Regulations under the Fair Labor Standards Act (FLSA). DOL. Retrieved April 12, 2023, from <http://www.dol.gov/agencies/whd/flsa/tips>
- U.S. Department of Labor. (2023a). Minimum Wages for Tipped Employees. U.S. Department of Labor. <http://www.dol.gov/agencies/whd/state/minimum-wage/tipped>
- U.S. Department of Labor. (2023b). US Labor Department recovers \$1.6M for 83 restaurant workers whose Los Angeles employer denied them overtime pay; tried to hide wage theft. U.S. Department of Labor. <http://www.dol.gov/newsroom/releases/whd/whd20230103-0>
- WebstaurantStore. (2023). Tip Pooling Laws. WebstaurantStore. <https://www.webstaurantstore.com/article/113/tip-pooling-laws.html>

Appendices

Appendix 1: Restaurant Operator Survey

Welcome! We are Public Policy graduate students at UCLA Luskin working with the Movement to Organize Restaurant Equity (Regarding Her: Los Angeles, James Beard Foundation, and Women in Hospitality United) to identify policies and practices that will improve economic justice and well-being for restaurant workers.

This survey will help us learn about current compensation and benefits offered to restaurant employees in Los Angeles County. It should take approximately 20 minutes to complete and the first 100 participants will receive a \$15 Target gift card as compensation. If there is suspicious activity or bots used in the completion of this survey, you will be disqualified from participating and will not receive compensation.

Because you will be asked questions regarding your restaurant's characteristics, staffing, and compensation policies, it may be helpful for you to reference your restaurant's operating manuals, financial records, or other administrative documents while completing the survey.

Your responses are anonymous and will not be used to identify you in any published reports or presentations related to this project. All questions are optional.

The survey is best completed on a laptop or desktop computer. If you begin the survey and pause, you will be able to restart the survey from where you left off as long as you use the same device and browser. If you have any questions about this project, please contact the research team at info@uclarestaurantstudy.com.

Eligibility Screening

1. Do you work in Los Angeles County?
 - Yes
 - No (Branched out of survey if selected)

2. Please complete the captcha verification in order to begin the survey.

3. How many restaurants do you own or operate?
 - Number of restaurants _____
 - (If they own or operate more than one restaurant, they were asked to complete the survey based on the restaurant they spent the most time working at.)
 - Decline to answer

4. What city is your restaurant located in?
 - City _____
 - Decline to answer

5. What type of restaurant do you work at or own?
 - Bar - Greater than 50% of sales are for alcohol (Branched out of survey if selected)
 - Cafe/fast casual - Provides counter service
 - Full service - Provides table service and server staff to take orders and deliver food
 - Fast food
 - Other, please specify _____
 - Decline to answer

Restaurant Characteristics

6. Is your restaurant family-owned?

- Yes
- No
- Don't know/unsure
- Decline to answer

7. Does your restaurant have multiple branch locations?

- Yes
- No
- Decline to answer

8. How long has your restaurant been in business?

If your restaurant has been open for less than one year, please enter "0".

If you do not know the answer to this question, please enter "Don't know/unsure" in the space provided.

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

- Years _____

9. How much are your restaurant's approximate annual operating expenses?

- Approximate annual operating budget _____
- Don't know/unsure
- Decline to answer

10. What is your restaurant's approximate annual revenue?

- Approximate annual revenue _____
- Don't know/unsure
- Decline to answer

Hiring and Staffing

11. Approximately how many employees does your restaurant have?

If you do not know the answer to this question, please enter "Don't know/unsure" in the space provided.

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

- Front-of-house _____
- Back-of-house _____

12. What is the estimated percentage of employees at your restaurant who are employed full-time vs. part-time?

If you do not know the answer to this question, please enter "Don't know/unsure" in the space provided.

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

Front-of-house

- % Full-time _____
- % Part-time _____

BUILDING A BETTER PLATE

Back-of-house

- % Full-time _____
- % Part-time _____

13. How many people have stopped working at your restaurant in the last 12 months (firing, resignations, etc.)?

If you do not know the answer to this question, please enter "Don't know/unsure" in the space provided.
If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

- Front-of-house _____
- Back-of-house _____

14. How many people has your restaurant hired and onboarded in the last 12 months?

If you do not know the answer to this question, please enter "Don't know/unsure" in the space provided.
If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

- Front-of-house _____
- Back-of-house _____

Wages, Tips, and Service Charge

The next set of questions ask about wage differences between front-of-house and back-of-house employees. Please provide estimates to the best of your ability.

BUILDING A BETTER PLATE

15. Please select the lowest and highest average hourly wages, not including tips, for front-of-house employees at your restaurant.

	Lowest	Highest
\$15.50 (California state minimum wage)	<input type="radio"/>	<input type="radio"/>
\$15.51-16.03	<input type="radio"/>	<input type="radio"/>
\$16.04 (City of Los Angeles minimum wage)	<input type="radio"/>	<input type="radio"/>
\$16.05-18.00	<input type="radio"/>	<input type="radio"/>
\$18.01-20.00	<input type="radio"/>	<input type="radio"/>
\$20.01-24.99	<input type="radio"/>	<input type="radio"/>
\$25-35.00	<input type="radio"/>	<input type="radio"/>
\$35.01-50.00	<input type="radio"/>	<input type="radio"/>
Greater than \$50.00	<input type="radio"/>	<input type="radio"/>
Unknown/Unsure	<input type="radio"/>	<input type="radio"/>
Decline to answer	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

16. Please select the lowest and highest average hourly wages, not including tips, for back-of-house employees at your restaurant.

	Lowest	Highest
\$15.50 (California state minimum wage)	<input type="radio"/>	<input type="radio"/>
\$15.51-16.03	<input type="radio"/>	<input type="radio"/>
\$16.04 (City of Los Angeles minimum wage)	<input type="radio"/>	<input type="radio"/>
\$16.05-18.00	<input type="radio"/>	<input type="radio"/>
\$18.01-20.00	<input type="radio"/>	<input type="radio"/>
\$20.01-24.99	<input type="radio"/>	<input type="radio"/>
\$25-35.00	<input type="radio"/>	<input type="radio"/>
\$35.01-50.00	<input type="radio"/>	<input type="radio"/>
Greater than \$50.00	<input type="radio"/>	<input type="radio"/>
Unknown/Unsure	<input type="radio"/>	<input type="radio"/>
Decline to answer	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

17. Please select the lowest and highest average hourly wages, including tips, for front-of-house employees at your restaurant.

	Lowest	Highest
\$15.50 (California state minimum wage)	<input type="radio"/>	<input type="radio"/>
\$15.51-16.03	<input type="radio"/>	<input type="radio"/>
\$16.04 (City of Los Angeles minimum wage)	<input type="radio"/>	<input type="radio"/>
\$16.05-18.00	<input type="radio"/>	<input type="radio"/>
\$18.01-20.00	<input type="radio"/>	<input type="radio"/>
\$20.01-24.99	<input type="radio"/>	<input type="radio"/>
\$25-35.00	<input type="radio"/>	<input type="radio"/>
\$35.01-50.00	<input type="radio"/>	<input type="radio"/>
Greater than \$50.00	<input type="radio"/>	<input type="radio"/>
Unknown/Unsure	<input type="radio"/>	<input type="radio"/>
Decline to answer	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

18. Please select the lowest and highest average hourly wages, including tips, for back-of-house employees at your restaurant.

	Lowest	Highest
\$15.50 (California state minimum wage)	<input type="radio"/>	<input type="radio"/>
\$15.51-16.03	<input type="radio"/>	<input type="radio"/>
\$16.04 (City of Los Angeles minimum wage)	<input type="radio"/>	<input type="radio"/>
\$16.05-18.00	<input type="radio"/>	<input type="radio"/>
\$18.01-20.00	<input type="radio"/>	<input type="radio"/>
\$20.01-24.99	<input type="radio"/>	<input type="radio"/>
\$25-35.00	<input type="radio"/>	<input type="radio"/>
\$35.01-50.00	<input type="radio"/>	<input type="radio"/>
Greater than \$50.00	<input type="radio"/>	<input type="radio"/>
Unknown/Unsure	<input type="radio"/>	<input type="radio"/>
Decline to answer	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

The remaining questions ask about your restaurant's tipping policies and benefits packages.

19. Can employees at your restaurant earn tips?

- Yes
- No
- Decline to answer Display This Question:

20. What tip policy(ies) does your restaurant operate on? Please check all that apply.

(Appears only if they answer "Yes" to #19)

- Tip pool: all tips are redistributed across tipped employees
- Tip share: tip-earning employees tip out supporting employees
- Direct tip: customers give tips directly to tip-earning employees
- Other, please specify _____
- Decline to answer

21. Which employees are eligible to receive compensation from tips (from direct tips, tip pooling, tip share, etc.)?

Please check all that apply.

(Appears only if they answer "Yes" to #19)

- Barback
- Barista
- Bartender
- Busser/Bus person
- Cashier
- Chef
- Cook
- Dishwasher
- Drive-thru operator
- Food Runner
- Host/Hostess
- Server
- Sommelier
- Other, please specify _____
- Decline to answer

22. Does your restaurant charge an additional fee on the customer's bill that is intended to go towards employees' compensation? Please check all that apply.

- No
- Auto-gratuity/service surcharge
- Health insurance contribution fee
- Kitchen appreciation fee
- Pension/retirement contribution fee
- Other, please specify _____
- Decline to answer

BUILDING A BETTER PLATE

23. Which employees are eligible to receive compensation from the additional fee on the customer's bill? Please check all that apply.

(Appears only if they do not answer "No" to #22)

- Barback
- Barista
- Bartender
- Busser/Bus person
- Cashier
- Chef
- Cook
- Dishwasher
- Drive-thru operator
- Food Runner
- Host/Hostess
- Server
- Sommelier
- Other, please specify _____
- Decline to answer

Benefits

24. Which types of employees have access to benefits at your restaurant? Please check all that apply.

- None
- Managers
- Part-time non-managerial employees
- Full-time non-managerial employees
- Other, please specify _____
- Decline to answer

25. What benefit(s) are offered to employees at your restaurant? Please check all that apply.

(Appears only if they do not answer "None" to #24)

- None
- Child/elder care reimbursement or services
- Dental insurance
- Employee discounts
- Free meals/family meals
- Health insurance for self
- Health insurance for dependent(s)
- Health insurance for partner
- Maternity leave
- Mental health care reimbursement or services
- Paid family leave (beyond the 8 weeks mandated under California's Paid Family and Medical Leave Act)
- Paid sick leave/days (beyond the 3 days mandated under California's Paid Sick Leave law)
- Paid time off (vacation)
- Pension/retirement account
- Professional trainings
- Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)
- Vision insurance
- Wellness days
- Other, please list _____
- Decline to answer

BUILDING A BETTER PLATE

26. Given the option between offering a pay raise versus each of the following benefits, which would you prefer to offer to your employees?

	Benefit	Pay raise	Don't know/unsure	Decline to answer
Child/elder care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free meals/family meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for dependents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maternity leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental health care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (beyond the 8 weeks required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave/days (beyond the 3 days required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid time off (vacation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension/retirement account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional trainings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vision care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wellness days	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

27. Given the option to receive a pay raise versus each of the following benefits, which do you think would improve your employees' satisfaction more?

	Benefit	Pay raise	Don't know/unsure	Decline to answer
Child/elder care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free meals/family meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for dependents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maternity leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental health care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (beyond the 8 weeks required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave/days (beyond the 3 days required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid time off (vacation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension/retirement account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional trainings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vision care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wellness days	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

28. Since the COVID-19 pandemic, has your restaurant made changes to the benefits offered to employees? For example, are you offering benefits that were not offered prior to the pandemic? If you would prefer not to answer this question, please enter "Decline to answer".

Additional Comments

29. In the space below, please include any additional thoughts or comments that you would like to share.

Survey Submission

Please read this page carefully before submitting your survey.

Thank you for completing the survey! If you are among the first 100 participants, you can receive a \$15 Target gift card via email. Please enter your email address below. Your contact information will not be linked to your response.

Email _____

Call for Interviews

Our team plans to interview restaurant operators to understand what benefits restaurants already offer or want to offer to employees. Interviews are expected to last 45 minutes to 1 hour and will be conducted via Zoom, telephone, or in-person. Interviewees will be compensated with \$75. If you are interested in being interviewed further, please check the box below.

I am interested in participating in an interview.

If you have any other questions about this project, please contact the research team at info@uclarerestaurantstudy.com.

Appendix 2: Restaurant Operator Survey Results

Description of Sample

We received 132 survey response attempts for the operator survey. However, we excluded survey responses from analysis for the following reasons:

- The respondent did not operate or own a restaurant in Los Angeles County.
- The respondent operated or owned a bar (defined as more than 50% of sales being for alcohol).
- Qualtrics’ fraud detection determined that their response was submitted by an internet bot (e.g., failing the reCAPTCHA test at the beginning of the survey, duplicate responses being submitted at the same time, etc.)
- For responses that were not immediately identified as fraudulent by Qualtrics’ fraud detection features, we identified additional fraudulent responses that were most likely submitted by internet bots based on indicators such as:
 - The time stamp of the survey response’s submission coincided with a known bot attack on the survey
 - The IP address or geolocation from where the respondent completed the survey was outside Los Angeles County
 - Multiple responses being submitted under the same IP address or geolocation
 - Suspicious text responses
 - Suspicious email addresses
- They provided insufficient data (partial survey responses were included in analysis if the respondent completed questions regarding wages and or benefits).

The final analytic sample was 43 survey responses.

Unless otherwise stated, all percentages presented below are based out of the full survey sample, n=43.

Restaurant Characteristics

Table 1. What city is your restaurant located in?

City	n (%)
Los Angeles	32 (74.4%)
Pasadena	2 (4.7%)
Covina	1 (2.3%)
La Puente	1 (2.3%)
Lennox	1 (2.3%)
Long Beach	1 (2.3%)
Manhattan Beach	1 (2.3%)
Redondo Beach	1 (2.3%)
Temple City	1 (2.3%)
West Hollywood	1 (2.3%)
Decline to state	1 (2.3%)

BUILDING A BETTER PLATE

Table 2. What type of restaurant do you work at or own?

Type	n (%)
Cafe/fast casual	20 (46.5%)
Full service	18 (41.9%)
Other	3 (7%)
Fast food	2 (4.7%)

Table 3. Is your restaurant family-owned?

Not family-owned	Family-owned
7 (16.3%)	36 (83.7%)

Table 4. Does your restaurant have multiple branch locations?

One location	Multiple locations	Decline to answer
28 (65.1%)	14 (32.6%)	1 (2.3%)

Table 5. How long has your restaurant been in business?

	N	Min	Max	Median	Mean	Std.Dev
Years in business	43	0	82	6	13.1	17.4

Table 6. Operating Budgets, Revenues, and Profit Margins

The table summarizes responses to the following questions:

- How much are your restaurant's approximate annual operating expenses?
 - What is your restaurant's approximate annual revenue?
- Profit margins were estimated if the respondent provided both the annual operating budget and revenue for their restaurant.

	n	Min	Max	Median	Mean	Std.Dev
Annual operating budget	27	16280	17000000	975000	1888714.1	3275246.8
Annual revenue	34	20000	20000000	962500	1847262.5	3406428.6
Profit margin, %	25	-90%	200%	20%	35.20%	66.0%

Hiring

Table 7. Hiring

The table summarizes responses to the following questions:

- Approximately how many employees does your restaurant have?
 - Front-of-house
 - Back-of-house
- What is the estimated percentage of employees at your restaurant who are employed full-time vs. part-time?
 - Front-of-house
 - Back-of-house
- How many people have stopped working at your restaurant in the last 12 months (firing, resignations, etc.)?
 - Front-of-house
 - Back-of-house
- How many people has your restaurant hired and onboarded in the last 12 months?
 - Front-of-house
 - Back-of-house

	n	Min	Max	Median	Mean	Std.Dev
Current Total Employees	43	1	340	12	26	52.7
% of Employees, FOH	43	0	100	50	49	22.8
% of Employees, BOH	43	0	100	50	51	22.8
% FOH Employees Employed Part-Time	43	0	100	50	55.7	35.8
% BOH Employees Employed Part-Time	43	0	100	20	28.1	31.9
Ratio, FOH to BOH	39	0	2.1	0.9	0.9	0.5
Ratio, Losses to Hires in the Last 12 Months	29	0.5	4	0.9	0.9	0.6
Ratio, Hires in the Last 12 Months to Current Total Employees	31	0.1	3.5	0.7	0.9	0.8
Ratio, Losses in the Last 12 Months to Current Total Employees	33	0.1	3.5	0.5	0.8	0.7

Wages

Table 8. Lowest and Highest Hourly Wages, Front-of-house Employees

The table summarizes responses to the following questions:

- Please select the lowest and highest average hourly wages, not including tips, for front-of-house employees at your restaurant.
- Please select the lowest and highest average hourly wages, including tips, for front-of-house employees at your restaurant.

	Lowest hourly wage, before tips	Lowest hourly wage, after tips	Highest hourly wage, before tips	Highest hourly wage, after tips
\$15.50 (California state minimum wage)	9 (20.9%)	3 (7%)	3 (7%)	1 (2.3%)
\$15.51-16.03	3 (7%)	0 (0%)	1 (2.3%)	0 (0%)
\$16.04 (City of Los Angeles minimum wage)	14 (32.6%)	3 (7%)	3 (7%)	0 (0%)
\$16.05-18.00	8 (18.6%)	6 (14%)	7 (16.3%)	1 (2.3%)
\$18.01-20.00	3 (7%)	7 (16.3%)	10 (23.3%)	4 (9.3%)
\$20.01-24.99	2 (4.7%)	8 (18.6%)	4 (9.3%)	9 (20.9%)
\$25-35.00	1 (2.3%)	10 (23.3%)	7 (16.3%)	7 (16.3%)
\$35.01-50.00	0 (0%)	2 (4.7%)	2 (4.7%)	7 (16.3%)
Greater than \$50.00	0 (0%)	0 (0%)	3 (7%)	10 (23.3%)
Unknown/Unsure	1 (2.3%)	0 (0%)	1 (2.3%)	0 (0%)
Decline to answer	2 (4.7%)	4 (9.3%)	2 (4.7%)	4 (9.3%)

BUILDING A BETTER PLATE

Table 9. Lowest and Highest Hourly Wages, Back-of-house Employees

The table summarizes responses to the following questions:

- Please select the lowest and highest average hourly wages, not including tips, for back-of-house employees at your restaurant.
- Please select the lowest and highest average hourly wages, including tips, for back-of-house employees at your restaurant.

	Lowest hourly wage, before tips	Lowest hourly wage, after tips	Highest hourly wage, before tips	Highest hourly wage, after tips
\$15.50 (California state minimum wage)	5 (11.6%)	2 (4.8%)	1 (2.3%)	1 (2.4%)
\$15.51-16.03	3 (7%)	0 (0%)	0 (0%)	0 (0%)
\$16.04 (City of Los Angeles minimum wage)	9 (20.9%)	2 (4.8%)	0 (0%)	0 (0%)
\$16.05-18.00	11 (25.6%)	9 (21.4%)	8 (18.6%)	3 (7.1%)
\$18.01-20.00	10 (23.3%)	10 (23.8%)	6 (14%)	2 (4.8%)
\$20.01-24.99	1 (2.3%)	9 (21.4%)	8 (18.6%)	6 (14.3%)
\$25-35.00	1 (2.3%)	3 (7.1%)	13 (30.2%)	14 (33.3%)
\$35.01-50.00	0 (0%)	2 (4.8%)	3 (7%)	6 (14.3%)
Greater than \$50.00	0 (0%)	0 (0%)	1 (2.3%)	5 (11.9%)
Unknown/Unsure	1 (2.3%)	3 (7.1%)	1 (2.3%)	3 (7.1%)
Decline to answer	2 (4.7%)	2 (4.8%)	2 (4.7%)	2 (4.8%)

Tipping

Table 10. Can employees at your restaurant earn tips?

	Yes	No	Decline to answer
Employees can earn tips	38 (88.4%)	3 (7%)	1 (2.3%)

Table 11. What tip policy(ies) does your restaurant operate on? Please check all that apply.

Percentages are based on the total number of respondents who indicated that employees at their restaurant can earn tips (n=38).

	n (%)
Tip pool	24 (63.2%)
Tip share	10 (26.3%)
Direct tip	5 (13.2%)
Other	1 (2.6%)

Table 12. Which employees are eligible to receive compensation from tips (from direct tips, tip pooling, tip share, etc.)? Please check all that apply.

Percentages are based on the number of operators whose employees can earn tips and employ front-of-house (n=36) or back-of-house employees respectively (n=34).

	n (%)
Front-of-house Employees	36 (100%)
Back-of-house Employees	31 (91.2%)

Service Charge

Table 13. Does your restaurant charge an additional fee on the customer’s bill that is intended to go towards employees’ compensation? Please check all that apply.

	n (%)
No service charge	35 (81.4%)
Auto-gratuity/service surcharge	4 (9.3%)
Health insurance contribution fee	3 (7.0%)

BUILDING A BETTER PLATE

Table 14. Which employees are eligible to receive compensation from the additional fee on the customer's bill?
Please check all that apply.

Percentages are based on the number of operators who charge an additional charge on the customer's bill and hire front-of-house employees (n=7) and back-of-house employees (n=7) respectively.

	n (%)
Front-of-house Employees	7 (100%)
Back-of-house Employees	6 (85.7%)

Benefits

Table 15. Restaurant Offers Benefits

Percentages are based on the number of respondents who completed the question, "Which types of employees have access to benefits at your restaurant? Please check all that apply." (n=41). A restaurant is considered to offer benefits if they indicate that any of the following types of employees can access benefits: managers, part-time non-managerial employees, and full-time non-managerial employees.

	Does not offer benefits	Offers benefits
Offers benefits	12 (29.3%)	29 (70.7%)

Table 16. Which types of employees have access to benefits at your restaurant? Please check all that apply.

Percentages are based on the number of respondents who indicated if any employees at their restaurant are eligible to receive benefits (n=29).

	n (%)
Managers	20 (69.0%)
Part-time employees	14 (48.3%)
Full-time employees	24 (82.8%)
Decline to answer	1 (3.5%)

BUILDING A BETTER PLATE

Table 17. What benefit(s) are offered to employees at your restaurant? Please check all that apply.

	n (%)
Child/elder care reimbursement or services	0 (0%)
Dental insurance	12 (27.9%)
Employee discounts	25 (58.1%)
Free meals/family meals	24 (55.8%)
Health insurance for self	17 (39.5%)
Health insurance for dependents	8 (18.6%)
Health insurance for partner	6 (14%)
Maternity leave	3 (7%)
Mental health care reimbursement or services	3 (7%)
Paid family leave (beyond 8 weeks required under CA law)	1 (2.3%)
Paid sick leave (beyond 3 days required under CA law)	14 (32.6%)
Paid time off (vacation)	11 (25.6%)
Pension/retirement account	11 (25.6%)
Professional trainings	11 (25.6%)
Transit benefits	9 (20.9%)
Vision care	12 (27.9%)
Wellness days	2 (4.7%)
Other	1 (2.3%)

BUILDING A BETTER PLATE

Table 18. Given the option between offering a pay raise versus each of the following benefits, which would you prefer to offer to your employees?

Percentages are based on the number of respondents who completed the question (n=39).

	Benefit	Pay raise	Don't know/Unsure	Decline to answer
Child/elder care reimbursement or services	7 (17.9%)	11 (28.2%)	19 (48.7%)	2 (5.1%)
Dental insurance	21 (53.8%)	9 (23.1%)	8 (20.5%)	1 (2.6%)
Employee discounts	28 (71.8%)	7 (17.9%)	3 (7.7%)	1 (2.6%)
Free meals/family meals	31 (79.5%)	6 (15.4%)	2 (5.1%)	0 (0%)
Health insurance for self	28 (71.8%)	5 (12.8%)	5 (12.8%)	1 (2.6%)
Health insurance for dependents	21 (53.8%)	4 (10.3%)	12 (30.8%)	2 (5.1%)
Health insurance for partner	18 (46.2%)	7 (17.9%)	12 (30.8%)	2 (5.1%)
Maternity leave	19 (48.7%)	4 (10.3%)	13 (33.3%)	3 (7.7%)
Mental health care reimbursement or services	15 (38.5%)	7 (17.9%)	14 (35.9%)	3 (7.7%)
Paid family leave (beyond 8 weeks required under CA law)	17 (43.6%)	4 (10.3%)	14 (35.9%)	4 (10.3%)
Paid sick leave (beyond 3 days required under CA law)	23 (59%)	3 (7.7%)	10 (25.6%)	3 (7.7%)
Paid time off (vacation)	28 (71.8%)	5 (12.8%)	4 (10.3%)	2 (5.1%)
Pension/retirement account	19 (48.7%)	7 (17.9%)	10 (25.6%)	3 (7.7%)
Professional trainings	27 (69.2%)	3 (7.7%)	7 (17.9%)	2 (5.1%)
Transit benefits	17 (43.6%)	8 (20.5%)	11 (28.2%)	3 (7.7%)
Vision care	20 (51.3%)	5 (12.8%)	12 (30.8%)	2 (5.1%)
Wellness days	14 (35.9%)	7 (17.9%)	14 (35.9%)	4 (10.3%)

BUILDING A BETTER PLATE

Table 19. Given the option to receive a pay raise versus each of the following benefits, which do you think would improve your employees' satisfaction more?

Percentages are based on the number of respondents who completed the question (n=39).

	Benefit	Pay raise	Don't know/Unsure	Decline to answer
Child/elder care reimbursement or services	11 (28.2%)	18 (46.2%)	7 (17.9%)	3 (7.7%)
Dental insurance	14 (35.9%)	14 (35.9%)	8 (20.5%)	3 (7.7%)
Employee discounts	18 (46.2%)	12 (30.8%)	5 (12.8%)	4 (10.3%)
Free meals/family meals	20 (51.3%)	11 (28.2%)	5 (12.8%)	3 (7.7%)
Health insurance for self	19 (48.7%)	8 (20.5%)	8 (20.5%)	4 (10.3%)
Health insurance for dependents	15 (38.5%)	10 (25.6%)	10 (25.6%)	4 (10.3%)
Health insurance for partner	16 (41%)	9 (23.1%)	10 (25.6%)	4 (10.3%)
Maternity leave	17 (43.6%)	11 (28.2%)	7 (17.9%)	4 (10.3%)
Mental health care reimbursement or services	13 (33.3%)	13 (33.3%)	9 (23.1%)	4 (10.3%)
Paid family leave (beyond 8 weeks required under CA law)	15 (38.5%)	13 (33.3%)	7 (17.9%)	4 (10.3%)
Paid sick leave (beyond 3 days required under CA law)	19 (48.7%)	9 (23.1%)	7 (17.9%)	4 (10.3%)
Paid time off (vacation)	24 (61.5%)	7 (17.9%)	4 (10.3%)	4 (10.3%)
Pension/retirement account	12 (30.8%)	14 (35.9%)	9 (23.1%)	4 (10.3%)
Professional trainings	14 (35.9%)	14 (35.9%)	7 (17.9%)	4 (10.3%)
Transit benefits	12 (30.8%)	14 (35.9%)	9 (23.1%)	4 (10.3%)
Vision care	13 (33.3%)	13 (33.3%)	9 (23.1%)	4 (10.3%)
Wellness days	15 (38.5%)	12 (30.8%)	8 (20.5%)	4 (10.3%)

Appendix 3: Restaurant Employee Survey

Welcome! We are Public Policy graduate students at UCLA Luskin School of Public Affairs working with the Movement to Organize for Restaurant Equity (Regarding Her: Los Angeles, James Beard Foundation, and Women in Hospitality United) to identify policies and practices that will improve economic justice and well-being for restaurant workers. This survey will help us learn about current benefits offered to LA restaurant employees. It should take approximately 20 minutes to complete and the first 100 participants will receive a \$15 Target gift card as compensation. You can only complete the survey once, and the use of bots or other fraudulent activity will disqualify you from participating or receiving compensation.

Your responses are anonymous and will not be used to identify you in any published reports or presentations related to this project. All questions are optional.

You can complete the survey on your cell phone, but it is easiest to complete it on a laptop or desktop computer. If you begin the survey and pause, you will be able to continue it from where you left off, as long as you use the same device and browser.

If you have any questions about this project, please contact the research team at info@uclarestaurantstudy.com.

Thank you for completing this survey!

Eligibility Screening

1. Do you work in Los Angeles County?

- Yes
- No (Branched out of survey if selected)

2. Before you proceed to the survey, please confirm you are a person. Thank you.

3. Do you currently work at a restaurant?

- Yes
- No (Branched out of survey if selected)

4. What type of restaurant do you work at?

If you work at multiple restaurants, please answer this question and the rest of the survey based on the restaurant where you spend the most time working at.

- Bar - Greater than 50% of sales are for alcohol (Branched out of survey if selected)
- Cafe/fast casual - Provides counter service
- Full service - Provides table service and server staff to take orders and deliver food
- Fast food
- Other, please specify _____
- Decline to answer

Demographics

5. What is your age?

- Age _____
- Decline to answer

BUILDING A BETTER PLATE

6. What is your race/ethnicity? Please check all that apply.

- Asian
- Black/African-American
- Hispanic/Latina/o/x
- Middle Eastern/North African
- Native American/Alaska Native/Indigenous
- Native Hawaiian/Pacific Islander
- White
- Other, please specify _____
- Decline to answer

7. Which of the following best describes your gender identity? Please select all that apply.

- Woman
- Man
- Transgender woman
- Transgender man
- Genderqueer/gender nonconforming/nonbinary
- Agender
- Intersex
- Other, please specify _____
- Decline to answer

8. What is your primary position? This is the position you are scheduled to work the most.

- Barback
- Barista
- Bartender
- Busser
- Cashier
- Chef
- Cook
- Dishwasher
- Food runner
- Host/hostess
- Manager
- Server
- Other, please specify _____
- Decline to answer

9. Do you have any dependents (e.g., children, elders, other family members)?

- Yes
- No
- Decline to answer

BUILDING A BETTER PLATE

Restaurant Characteristics

10. What city is the restaurant that you work at located in?

- City _____
- Decline to answer

11. Approximately how many employees work at your restaurant? If your restaurant has multiple locations, please only answer for the location that you primarily work at.

- Less than 10 employees
- 10-25 employees
- 26-49 employees
- 50-100 employees
- More than 100 employees
- Don't know/unsure
- Decline to answer

11. Is your restaurant family-owned?

- Yes
- No
- Don't know/unsure
- Decline to answer

12. How many years have you worked at this restaurant? If you have worked here for less than a year, please enter "0".

- Years _____
- Decline to answer

13. How many years have you worked in the restaurant industry? If you have worked in the industry for less than a year, please enter "0".

- Years _____
- Decline to answer

Wages

14. Is this restaurant job your main source of income?

- Yes
- No
- Decline to answer

15. Are you paid hourly or salaried?

- Hourly
- Salary
- Decline to answer

16. What is your hourly wage, not including tips? (Appears only if they answered "Hourly" to #15)

- Hourly wage, not including tips_____
- Decline to answer

BUILDING A BETTER PLATE

17. What is your weekly salary, before taxes? (Appears only if they answered "Salary" to #15)

- Weekly salary, before taxes _____
- Decline to answer

18. On average, how many hours per week do you work at this job?

- Average hours worked per week _____
- Decline to answer

19. How much do you make on average per shift, including tips? (Appears only if they answered "Hourly" to #15)

- Average earnings per shift, including tips _____
- Decline to answer

20. How many hours is your typical work shift?

- Hours _____
- Decline to answer

21. Can employees at your restaurant earn tips?

- Yes
- No
- Decline to answer

22. What tip policy(ies) does your restaurant operate on? Please check all that apply. (Appears only if they answer "Yes" to #21)

- Tip pool: all tips are redistributed across tipped employees
- Tip share: tip-earning employees share with employees who do not directly receive tips
- Direct tips: customers give tips directly to tip-earning employees
- Other, please specify _____
- Decline to answer

23. Does your restaurant charge an additional fee on the customer's bill that is intended to go towards employees' compensation? Please check all that apply.

- No
- Auto-gratuity/service surcharge
- Health insurance contribution fee
- Kitchen appreciation fee
- Pension/retirement contribution fee
- Other, please specify _____
- Don't know/unsure
- Decline to answer

24. Do you receive compensation from the additional fee on the customer's bill? (Appears only if they did not answer "No" or "Don't know/Unsure" for #23)

- Yes
- No
- Other, please specify _____
- Decline to answer

Benefits

BUILDING A BETTER PLATE

25. What benefit(s) are currently offered to you at your restaurant job? Which benefits do you use? Please check all that apply.

	My job offers this benefit and I use it.	My job offers this benefit, but I do not use it.	My job does not offer this benefit.	I don't know if my job offers this benefit.	Decline to answer
Child/elder care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free meals/family meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for dependents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maternity leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental health care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (beyond the 8 weeks required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave/days (beyond the 3 days required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid time off (vacation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension/retirement account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional trainings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vision care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wellness days	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

26. If you were given the option to receive a pay raise OR each of the following benefits, which would you choose if they had equal monetary value?

	Benefit	Pay raise	Don't know/unsure	Decline to answer
Child/elder care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free meals/family meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for dependents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maternity leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental health care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (beyond the 8 weeks required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave/days (beyond the 3 days required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid time off (vacation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension/retirement account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional trainings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vision care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wellness days	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

BUILDING A BETTER PLATE

27. Are there any benefits not mentioned in the list below that you currently receive or would like to receive?

Child/elder care reimbursement or services
Dental insurance
Employee discounts
Free meals/family meals
Health insurance for self
Health insurance for dependent(s)
Health insurance for partner
Maternity leave
Mental health care reimbursement or services
Paid family leave (beyond the 8 weeks required under California law)
Paid sick leave/days (beyond the 3 days required under California law)
Paid time off (vacation)
Pension/retirement account
Professional trainings
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)
Vision insurance
Wellness days

27a) Other benefits I currently receive

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

27b) Other benefits I would like to receive

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

BUILDING A BETTER PLATE

28. Think about the other employees that you manage or supervise. Given the option to receive a pay raise versus each of the following benefits, which do you think would improve employees' satisfaction more? (Appears only if they answered "Chef" or "Manager" to #8)

	Benefit	Pay raise	Don't know/unsure	Decline to answer
Child/elder care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Dental insurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee discounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Free meals/family meals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for self	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for dependents	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Health insurance for partner	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maternity leave	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mental health care reimbursement or services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid family leave (beyond the 8 weeks required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid sick leave/days (beyond the 3 days required under California law)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Paid time off (vacation)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Pension/retirement account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Professional trainings	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Transportation benefits (transit pass, parking pass, gas reimbursement, etc.)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Vision care	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Wellness days	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Free Response Questions

29. Why do you work in the restaurant industry?

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

30. How did the COVID-19 pandemic affect your experiences working in the restaurant industry?

If you would prefer not to answer this question, please enter "Prefer not to answer" in the space provided.

31. In the space below, you may include any additional questions, thoughts or comments about your benefits or working in the restaurant industry that you would like to share.

Survey Submission

Please read this page carefully before submitting your survey.

Thank you for completing the survey! If you are among the first 100 participants, you can receive a \$15 Target gift card via email. Please enter your email address below. Your email address will not be linked to your response.

Email Address _____

Call for Interviews

Our team plans to interview restaurant employees to learn about what workplace benefits can help restaurant employees feel more supported and satisfied at work. Interviews are expected to last 45 minutes to 1 hour and will be conducted via Zoom, telephone, or in-person. Interviewees will be compensated with \$75. If you are interested in being interviewed further, please check the box below.

I am interested in participating in an interview.

If you have any other questions about this project, please contact the research team at info@uclarerestaurantstudy.com.

Appendix 4: Restaurant Employee Survey Results

Description of Sample

We received 438 survey response attempts for the employee survey. However, we excluded survey responses from analysis for the following reasons:

- The respondent did not work in Los Angeles County.
- The respondent worked at a bar (defined as more than 50% of sales being for alcohol).
- Qualtrics’ fraud detection determined that their response was submitted by an internet bot.
- For responses that were not immediately identified as fraudulent by Qualtrics’ fraud detection features, we identified additional fraudulent responses that were most likely submitted by internet bots based on indicators such as:
 - The time stamp of the survey response’s submission coincided with a known bot attack on the survey
 - The IP address or geolocation from where the respondent completed the survey was outside Los Angeles County
 - Multiple responses being submitted under the same IP address or geolocation
 - Suspicious text responses
 - Suspicious email addresses
- They provided insufficient data (partial survey responses were included in analysis if the respondent completed questions regarding wages).

The final analytic sample was 65 survey responses.

Unless otherwise stated, all percentages presented below are based out of the full survey sample, n=65.

Demographics

Table 1. What is your primary position? This is the position you are scheduled to work the most.

Primary Occupation	n (%)
Server	22 (33.8%)
Manager	17 (26.2%)
Other	8 (12.3%)
Chef	6 (9.2%)
Cook	6 (9.2%)
Host	2 (3.1%)
Barista	1 (1.5%)
Busser	1 (1.5%)
Dishwasher	1 (1.5%)
Food Runner	1 (1.5%)

BUILDING A BETTER PLATE

Table 2. Front of House, Back of House, and Manager Status

Status	n (%)
Front of House	29 (44.6%)
Back of House	9 (13.8%)
Manager	27 (41.5%)

Table 3. What is your race/ethnicity? Please check all that apply.

Percentages are based on the number of front-of-house employees (n=29), back-of-house employees (n=9), and managers (n=27).

	FOH	BOH	Managers	Total
Asian	4 (13.8%)	0 (0%)	2 (7.4%)	6 (9.2%)
Hispanic/Latinx	5 (17.2%)	7 (77.8%)	6 (22.2%)	18 (27.7%)
Middle Eastern/North African	1 (3.4%)	0 (0%)	0 (0%)	1 (1.5%)
Native Hawaiian/Pacific Islander	0 (0%)	0 (0%)	1 (3.7%)	1 (1.5%)
White	12 (41.4%)	1 (11.1%)	12 (44.4%)	25 (38.5%)
Multiracial	5 (17.2%)	0 (0%)	5 (18.5%)	10 (15.4%)
Decline to answer	2 (6.9%)	1 (11.1%)	1 (3.7%)	4 (6.2%)

Table 4. What is your age?

	FOH	BOH	Managers	Total
N	26	9	25	60
Min	23	25	21	21
Max	73	55	60	73
Median	33.5	27	40	35
Mean	34.8	34.3	39.4	36.6
Std.Dev	10.4	11	8.5	9.8

Table 5. Which of the following best describes your gender identity? Please select all that apply.

Percentages are based on the number of front-of-house employees (n=29), back-of-house employees (n=9), and managers (n=27).

	FOH	BOH	Managers	Total
Woman	20 (69%)	4 (44.4%)	19 (70.4%)	43 (66.2%)
Man	7 (24.1%)	4 (44.4%)	8 (29.6%)	19 (29.2%)
Nonbinary	0 (0%)	1 (11.1%)	0 (0%)	1 (1.5%)
Multigender	1 (3.4%)	0 (0%)	0 (0%)	1 (1.5%)
Decline to answer	1 (3.4%)	0 (0%)	0 (0%)	1 (1.5%)

BUILDING A BETTER PLATE

Table 6. Do you have any dependents (e.g., children, elders, other family members)?

Percentages are based on the number of front-of-house employees (n=29), back-of-house employees (n=9), and managers (n=27).

	FOH	BOH	Managers	Total
No	21 (72.4%)	4 (44.4%)	17 (63%)	42 (64.6%)
Yes	8 (27.6%)	5 (55.6%)	10 (37%)	23 (35.4%)

Restaurant Characteristics

Table 7. What city is the restaurant that you work at located in?

City	n (%)
Los Angeles	37 (56.9%)
Santa Monica	10 (15.4%)
Manhattan Beach	8 (12.3%)
Pasadena	3 (4.6%)
Beverly Hills	1 (1.5%)
Culver City	1 (1.5%)
Maywood	1 (1.5%)
Paramount	1 (1.5%)
Redondo Beach	1 (1.5%)
West Hollywood	1 (1.5%)
Decline to state	1 (1.5%)

Table 8. What type of restaurant do you work at?

Type	n (%)
Full service	54 (83.1%)
Cafe/fast casual	5 (7.7%)
Fast food	3 (4.6%)
Other	3 (4.6%)

Table 9. Years Worked in Restaurant Industry

The table summarizes responses to the following questions:

- How many years have you worked at this restaurant?
- How many years have you worked in the restaurant industry?

	Years in Industry	Years at Current Restaurant
N	64	62
Min	0	0
Max	45	42
Median	13	2
Mean	13.5	3.6
Std. Dev	10	6.3

BUILDING A BETTER PLATE

Table 10. Approximately how many employees work at your restaurant? If your restaurant has multiple locations, please only answer for the location that you primarily work at.

	n (%)
Less than 10 employees	4 (6.2%)
10-25 employees	17 (26.2%)
26-49 employees	26 (40%)
50-100 employees	15 (23.1%)
More than 100 employees	2 (3.1%)
Don't know/unsure	1 (1.5%)
Decline to answer	0 (0%)

Table 11. Is your restaurant family-owned?

Not family-owned	Family-owned	Don't know/unsure
4 (6.2%)	34 (52.3%)	27 (41.5%)

Hours Worked

Table 12. Is this restaurant job your main source of income?

	n (%)
Yes	60 (92.3%)
No	5 (7.7%)

Table 13. Are you paid hourly or salaried?

	n (%)
Hourly	40 (61.5%)
Salaried	24 (36.9%)
Decline to answer	1 (1.5%)

Table 14. On average, how many hours per week do you work at this job?

	FOH	BOH	Managers	Total
N	28	9	27	64
Min	8	20	37	8
Max	40	80	70	80
Median	25	33	50	36
Mean	26.7	41.2	52.3	39.5
Std.Dev	7.7	19.7	7.7	15.6

BUILDING A BETTER PLATE

Table 15. Full-Time Employment Status

Respondents who answered that on they worked 30 or more hours per week on average were categorized as full-time; respondents who answered that they worked fewer than 30 hours per week on average were categorized as part-time.

	n (%)
Full-time	47 (72.3%)
Part-time	17 (26.2%)
Decline to answer	1 (1.5%)

Wages

Table 16. What is your hourly wage, not including tips?

This question was only visible to respondents who indicated that they are paid hourly.

	FOH	BOH	Managers	Total
N	29	8	3	40
Min	14.25	15.96	18	14.25
Max	30	22	30	30
Median	16.50	20	18	18
Mean	17.47	19.84	22	18.28
Std.Dev	3.23	2.10	6.93	3.58

Table 17. What is your weekly salary, before taxes?

This question was only visible to respondents who indicated that they are salaried (3 chefs and 17 managers).

N	Min	Max	Median	Mean	Std.Dev
20	1000	6000	1617	1844.2	1036.6

Table 18. How much do you make on average per shift, including tips?

This question was only visible to respondents who indicated that they are paid hourly.

	FOH	BOH	Managers	Total
N	20	3	3	26
Min	90	100	144	90
Max	700	150	325	700
Median	227.5	111	150	200
Mean	256	120.3	206.3	234.6
Std.Dev	131.3	26.3	102.8	126.6

Tips

Table 19. Can employees at your restaurant earn tips?

	Yes	No	Decline to answer
Employees can earn tips	59 (90.8%)	4 (6.2%)	1 (1.5%)

Table 20. What tip policy(ies) does your restaurant operate on? Please check all that apply.

	n (%)
Tip pool	26 (68.4%)
Tip share	26 (68.4%)
Direct tip	11 (28.9%)
Other	6 (15.8%)

Service Charge

Table 21. Does your restaurant charge an additional fee on the customer’s bill that is intended to go towards employees’ compensation? Please check all that apply.

	n (%)
No service charge	28 (43.1%)
Auto-gratuity/service surcharge	11 (16.9%)
Health insurance contribution fee	16 (24.6%)
Other	5 (7.7%)
Don't know/unsure	7 (10.8%)

Table 22. Do you receive compensation from the additional fee on the customer’s bill?

	Number who said their restaurant has additional charge	Receives compensation from additional charge, n (%)
Front-of-house	14	5 (35.7%)
Back-of-house	1	0 (0%)
Managers	13	1 (7.7%)

Benefits

Table 23. Access to Benefits, All Employees

In response to the question, “What benefit(s) are currently offered to you at your restaurant job? Which benefits do you use? Please check all that apply.” Percentages are taken out of the number of respondents who completed the question (n=61).

	My job does not offer this benefit.	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer
Child/elder care reimbursement or services	44 (72.1%)	2 (3.3%)	3 (4.9%)	11 (18%)	1 (1.6%)
Dental insurance	17 (27.9%)	26 (42.6%)	7 (11.5%)	10 (16.4%)	1 (1.6%)
Employee discounts	6 (9.8%)	44 (72.1%)	9 (14.8%)	2 (3.3%)	0 (0%)
Free meals/family meals	11 (18%)	48 (78.7%)	1 (1.6%)	1 (1.6%)	0 (0%)
Health insurance for self	13 (21.3%)	27 (44.3%)	16 (26.2%)	5 (8.2%)	0 (0%)
Health insurance for dependents	24 (39.3%)	6 (9.8%)	18 (29.5%)	13 (21.3%)	0 (0%)
Health insurance for partner	24 (39.3%)	6 (9.8%)	16 (26.2%)	15 (24.6%)	0 (0%)
Maternity leave	12 (19.7%)	4 (6.6%)	24 (39.3%)	21 (34.4%)	0 (0%)
Mental health care reimbursement or services	26 (42.6%)	2 (3.3%)	4 (6.6%)	28 (45.9%)	1 (1.6%)
Paid family leave (beyond 8 weeks required under CA law)	20 (32.8%)	2 (3.3%)	14 (23%)	25 (41%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	17 (27.9%)	25 (41%)	10 (16.4%)	9 (14.8%)	0 (0%)
Paid time off (vacation)	24 (39.3%)	28 (45.9%)	3 (4.9%)	6 (9.8%)	0 (0%)
Pension/retirement account	25 (41%)	13 (21.3%)	5 (8.2%)	17 (27.9%)	1 (1.6%)
Professional trainings	27 (44.3%)	20 (32.8%)	2 (3.3%)	12 (19.7%)	0 (0%)
Transportation benefits	39 (63.9%)	12 (19.7%)	1 (1.6%)	9 (14.8%)	0 (0%)
Vision care	26 (42.6%)	19 (31.1%)	6 (9.8%)	10 (16.4%)	0 (0%)
Wellness days	40 (65.6%)	2 (3.3%)	2 (3.3%)	17 (27.9%)	0 (0%)

BUILDING A BETTER PLATE

Table 24. Access to Benefits, Part-Time Non-managerial Employees

In response to the question, “What benefit(s) are currently offered to you at your restaurant job? Which benefits do you use? Please check all that apply.” Percentages are taken out of the number of part-time non-managerial employee respondents who completed the question (n=15).

	My job does not offer this benefit.	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer
Child/elder care reimbursement or services	13 (86.7%)	0 (0%)	0 (0%)	2 (13.3%)	0 (0%)
Dental insurance	8 (53.3%)	1 (6.7%)	2 (13.3%)	4 (26.7%)	0 (0%)
Employee discounts	3 (20%)	10 (66.7%)	1 (6.7%)	1 (6.7%)	0 (0%)
Free meals/family meals	5 (33.3%)	9 (60%)	0 (0%)	1 (6.7%)	0 (0%)
Health insurance for self	8 (53.3%)	1 (6.7%)	3 (20%)	3 (20%)	0 (0%)
Health insurance for dependents	8 (53.3%)	0 (0%)	2 (13.3%)	5 (33.3%)	0 (0%)
Health insurance for partner	8 (53.3%)	1 (6.7%)	0 (0%)	6 (40%)	0 (0%)
Maternity leave	5 (33.3%)	0 (0%)	2 (13.3%)	8 (53.3%)	0 (0%)
Mental health care reimbursement or services	6 (40%)	1 (6.7%)	0 (0%)	8 (53.3%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	5 (33.3%)	0 (0%)	1 (6.7%)	9 (60%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	7 (46.7%)	4 (26.7%)	1 (6.7%)	3 (20%)	0 (0%)
Paid time off (vacation)	11 (73.3%)	1 (6.7%)	1 (6.7%)	2 (13.3%)	0 (0%)
Pension/retirement account	7 (46.7%)	1 (6.7%)	2 (13.3%)	5 (33.3%)	0 (0%)
Professional trainings	11 (73.3%)	2 (13.3%)	0 (0%)	2 (13.3%)	0 (0%)
Transportation benefits	12 (80%)	1 (6.7%)	1 (6.7%)	1 (6.7%)	0 (0%)
Vision care	10 (66.7%)	0 (0%)	3 (20%)	2 (13.3%)	0 (0%)
Wellness days	9 (60%)	0 (0%)	0 (0%)	6 (40%)	0 (0%)

BUILDING A BETTER PLATE

Table 25. Access to Benefits, Full-Time Non-managerial Employees

In response to the question, “What benefit(s) are currently offered to you at your restaurant job? Which benefits do you use? Please check all that apply.” Percentages are taken out of the number of full-time non-managerial employee respondents who completed the question (n=19).

	My job does not offer this benefit.	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer
Child/elder care reimbursement or services	11 (57.9%)	0 (0%)	2 (10.5%)	5 (26.3%)	1 (5.3%)
Dental insurance	3 (15.8%)	8 (42.1%)	2 (10.5%)	5 (26.3%)	1 (5.3%)
Employee discounts	1 (5.3%)	14 (73.7%)	3 (15.8%)	1 (5.3%)	0 (0%)
Free meals/family meals	3 (15.8%)	16 (84.2%)	0 (0%)	0 (0%)	0 (0%)
Health insurance for self	1 (5.3%)	7 (36.8%)	10 (52.6%)	1 (5.3%)	0 (0%)
Health insurance for dependents	4 (21.1%)	1 (5.3%)	8 (42.1%)	6 (31.6%)	0 (0%)
Health insurance for partner	3 (15.8%)	0 (0%)	10 (52.6%)	6 (31.6%)	0 (0%)
Maternity leave	3 (15.8%)	1 (5.3%)	6 (31.6%)	9 (47.4%)	0 (0%)
Mental health care reimbursement or services	5 (26.3%)	0 (0%)	1 (5.3%)	13 (68.4%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	4 (21.1%)	2 (10.5%)	2 (10.5%)	11 (57.9%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	3 (15.8%)	9 (47.4%)	3 (15.8%)	4 (21.1%)	0 (0%)
Paid time off (vacation)	11 (57.9%)	0 (0%)	2 (10.5%)	5 (26.3%)	1 (5.3%)
Pension/retirement account	3 (15.8%)	8 (42.1%)	2 (10.5%)	5 (26.3%)	1 (5.3%)
Professional trainings	1 (5.3%)	14 (73.7%)	3 (15.8%)	1 (5.3%)	0 (0%)
Transportation benefits	3 (15.8%)	16 (84.2%)	0 (0%)	0 (0%)	0 (0%)
Vision care	1 (5.3%)	7 (36.8%)	10 (52.6%)	1 (5.3%)	0 (0%)
Wellness days	4 (21.1%)	1 (5.3%)	8 (42.1%)	6 (31.6%)	0 (0%)

BUILDING A BETTER PLATE

Table 26. Access to Benefits, Managers

In response to the question, “What benefit(s) are currently offered to you at your restaurant job? Which benefits do you use? Please check all that apply.” Percentages are taken out of the number of part-time non-managerial employee respondents who completed the question (n=26).

	My job does not offer this benefit.	My job offers this benefit and I do not use it.	My job offers this benefit and I use it.	I don't know if my job offers this benefit.	Decline to answer
Child/elder care reimbursement or services	19 (73.1%)	2 (7.7%)	1 (3.8%)	4 (15.4%)	0 (0%)
Dental insurance	6 (23.1%)	17 (65.4%)	2 (7.7%)	1 (3.8%)	0 (0%)
Employee discounts	2 (7.7%)	20 (76.9%)	4 (15.4%)	0 (0%)	0 (0%)
Free meals/family meals	2 (7.7%)	23 (88.5%)	1 (3.8%)	0 (0%)	0 (0%)
Health insurance for self	4 (15.4%)	19 (73.1%)	2 (7.7%)	1 (3.8%)	0 (0%)
Health insurance for dependents	12 (46.2%)	5 (19.2%)	7 (26.9%)	2 (7.7%)	0 (0%)
Health insurance for partner	12 (46.2%)	5 (19.2%)	6 (23.1%)	3 (11.5%)	0 (0%)
Maternity leave	4 (15.4%)	3 (11.5%)	15 (57.7%)	4 (15.4%)	0 (0%)
Mental health care reimbursement or services	15 (57.7%)	1 (3.8%)	3 (11.5%)	7 (26.9%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	11 (42.3%)	0 (0%)	11 (42.3%)	4 (15.4%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	7 (26.9%)	12 (46.2%)	6 (23.1%)	1 (3.8%)	0 (0%)
Paid time off (vacation)	3 (11.5%)	20 (76.9%)	1 (3.8%)	2 (7.7%)	0 (0%)
Pension/retirement account	10 (38.5%)	11 (42.3%)	2 (7.7%)	3 (11.5%)	0 (0%)
Professional trainings	8 (30.8%)	13 (50%)	2 (7.7%)	3 (11.5%)	0 (0%)
Transportation benefits	13 (50%)	9 (34.6%)	0 (0%)	4 (15.4%)	0 (0%)
Vision care	8 (30.8%)	14 (53.8%)	2 (7.7%)	2 (7.7%)	0 (0%)
Wellness days	19 (73.1%)	1 (3.8%)	2 (7.7%)	4 (15.4%)	0 (0%)

BUILDING A BETTER PLATE

Table 27. If you were given the option to receive a pay raise OR each of the following benefits, which would you choose if they had equal monetary value?

Percentages are based on the total number of respondents who completed the question (n=59).

	Benefit	Pay Raise	Don't know/unsure	Decline to answer
Child/elder care reimbursement or services	7 (11.9%)	44 (74.6%)	8 (13.6%)	0 (0%)
Dental insurance	27 (45.8%)	24 (40.7%)	8 (13.6%)	0 (0%)
Employee discounts	16 (27.1%)	38 (64.4%)	4 (6.8%)	1 (1.7%)
Free meals/family meals	28 (47.5%)	28 (47.5%)	2 (3.4%)	1 (1.7%)
Health insurance for self	39 (66.1%)	17 (28.8%)	3 (5.1%)	0 (0%)
Health insurance for dependents	25 (42.4%)	29 (49.2%)	5 (8.5%)	0 (0%)
Health insurance for partner	28 (47.5%)	27 (45.8%)	4 (6.8%)	0 (0%)
Maternity leave	28 (47.5%)	27 (45.8%)	4 (6.8%)	0 (0%)
Mental health care reimbursement or services	32 (54.2%)	25 (42.4%)	2 (3.4%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	33 (55.9%)	23 (39%)	3 (5.1%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	39 (66.1%)	19 (32.2%)	1 (1.7%)	0 (0%)
Paid time off (vacation)	43 (72.9%)	15 (25.4%)	1 (1.7%)	0 (0%)
Pension/retirement account	36 (61%)	18 (30.5%)	4 (6.8%)	1 (1.7%)
Professional trainings	21 (35.6%)	31 (52.5%)	7 (11.9%)	0 (0%)
Transportation benefits	19 (32.2%)	39 (66.1%)	1 (1.7%)	0 (0%)
Vision care	25 (42.4%)	33 (55.9%)	1 (1.7%)	0 (0%)
Wellness days	26 (44.1%)	31 (52.5%)	2 (3.4%)	0 (0%)

BUILDING A BETTER PLATE

Table 28. Think about the other employees that you manage or supervise. Given the option to receive a pay raise versus each of the following benefits, which do you think would improve employees' satisfaction more?

Percentages are based on the total number of manager respondents who completed the question (n=19).

	Benefit	Pay raise	Don't know/Unsure	Decline to answer
Child/elder care reimbursement or services	9 (47.4%)	9 (47.4%)	1 (5.3%)	0 (0%)
Dental insurance	10 (52.6%)	8 (42.1%)	1 (5.3%)	0 (0%)
Employee discounts	9 (47.4%)	9 (47.4%)	1 (5.3%)	0 (0%)
Free meals/family meals	13 (68.4%)	5 (26.3%)	1 (5.3%)	0 (0%)
Health insurance for self	15 (78.9%)	3 (15.8%)	1 (5.3%)	0 (0%)
Health insurance for dependents	11 (57.9%)	7 (36.8%)	1 (5.3%)	0 (0%)
Health insurance for partner	10 (52.6%)	8 (42.1%)	1 (5.3%)	0 (0%)
Maternity leave	13 (68.4%)	5 (26.3%)	1 (5.3%)	0 (0%)
Mental health care reimbursement or services	7 (36.8%)	10 (52.6%)	2 (10.5%)	0 (0%)
Paid family leave (beyond 8 weeks required under CA law)	8 (42.1%)	10 (52.6%)	1 (5.3%)	0 (0%)
Paid sick leave (beyond 3 days required under CA law)	8 (42.1%)	10 (52.6%)	1 (5.3%)	0 (0%)
Paid time off (vacation)	11 (57.9%)	7 (36.8%)	1 (5.3%)	0 (0%)
Pension/retirement account	8 (42.1%)	10 (52.6%)	1 (5.3%)	0 (0%)
Professional trainings	8 (42.1%)	9 (47.4%)	2 (10.5%)	0 (0%)
Transit benefits	8 (42.1%)	10 (52.6%)	1 (5.3%)	0 (0%)
Vision care	6 (31.6%)	11 (57.9%)	2 (10.5%)	0 (0%)
Wellness days	7 (36.8%)	11 (57.9%)	1 (5.3%)	0 (0%)

Appendix 5: Restaurant Operator Interview Guide

Oral Consent

Thank you for agreeing to be interviewed for our UCLA graduate research study with the Movement to Organize for Restaurant Equity. We are both master's students in the department of Public Policy and this project is being used to fulfill our thesis requirement. Your participation in this interview is voluntary. The purpose of this research is to understand wage- and benefit-related issues in the greater Los Angeles market. We're interested in hearing from operators to better understand the LA restaurant landscape. We hope that our findings will help LA restaurants and workers alike. The coalition we're working with represents restaurant owners who care about promoting worker equity in the industry. We would like to emphasize that this is a nonjudgmental space in which we simply wish to hear from you about the successes and challenges that your restaurant currently faces.

This interview will take between 45 and 60 minutes. While I will be asking personal questions for context, your name will not be used in the research and your identity will be kept confidential. Only non-identifying information will be used in the study. Feel free to skip any question you do not feel comfortable answering. If you have any questions or wanted to add/delete anything to your answer after the interview, please contact us at info@uclarestaurantstudy.com

We will be thanking you with \$75 for your time today. We can pay you through Venmo, Zelle, or CashApp. Which would you prefer? What is your username/phone number?

We're hoping to record all interviews so we can compare transcripts and look for themes. Do you consent to being recorded?

- I. Background
 - A. Tell me about your restaurant.
- II. Staffing, hiring, and turnover
 - A. Describe the typical employees that work at your restaurant.
 1. Are they younger or older? Caring for children? Students? Etc.
 - B. How long do employees typically work at your restaurant?
 - C. Are there any differences you've noticed between FOH/BOH in terms of how long they stay at the restaurant?
 - D. [If the restaurant has been around since before the pandemic] Has there been a difference in turnover rates before and after the pandemic caused restaurant shut downs?
 - E. How does your restaurant attract new employees?

- III. Wages, tipping, and service fees/charges

(We first confirmed their survey responses regarding their restaurant's policy regarding wages, tipping, service charges, auto-gratuity charges, etc. before asking the following questions.)

- a. How did you decide the wages that you currently offer?
- b. Do you anticipate other wage changes in the near future?
- c. [If they answered that their restaurant practices tipping] How did you decide to organize your tipping structure and why?
- d. [If their restaurant charges a service charge, auto-gratuity, etc. on the customer's bill] How did you decide to implement this additional charge?
 - i. Why this charge as opposed to increasing menu prices?
 - ii. How have employees responded to it?
 - iii. How have customers responded to it?
- e. [If their restaurant does not charge a service charge, auto-gratuity, etc. on the customer's bill] Have you ever thought about adding such a charge?
 - i. Why or why not?

BUILDING A BETTER PLATE

IV. Benefits

(We first confirmed their survey responses regarding benefits offerings at their restaurant before asking the following questions.)

- a. [If they do not currently offer benefits]
 - i. What are the barriers to offering benefits?
- b. [If they currently offer benefits]
 - i. How did you decide that this was the benefits package that you could offer?
 - ii. Do employees have to meet certain eligibility requirements to qualify for these benefits (like working for a certain period of time)?
 - iii. Are there other benefits that you would like to offer in addition to what you currently offer?
 - iv. Are there benefits that employees have asked about that you would consider offering that you don't currently offer?
- c. [If they offer health benefits]
 - i. What's the process like for setting up these overall health benefits? Do you hire any support services like an HR firm?
 - ii. Can you share any obstacles?
- d. [If they do not offer health benefits]
 - i. What are some barriers to offering health benefits?
- e. [If they offer paid sick leave]
 - i. How did you decide to offer additional paid sick leave at your restaurant?
- f. [If they do not offer paid sick leave]
 - i. What are some barriers to offering additional paid sick leave?
- g. Paid family leave
 - i. [If they offer additional paid family leave (beyond what is available through the California PFL program)]
 1. How did you decide to offer additional PFL?
 2. How did you set up that additional benefit?
 3. How does it affect your business operations when employees take PFL?
 - ii. [If they do not offer additional paid family leave (beyond what is available through the California PFL program)]
 1. What are some barriers to offering additional PFL?
- h. [If they offer less traditional benefits (e.g., wellness days)] why did you choose to offer that?

V. "Big Picture" Questions

- a. What do you think can be done to improve employee retention and reduce turnover?
- b. Do you think the current norms for pay and benefits in the industry are sustainable in the long run?
- c. What are your opinions about restaurant workers forming or joining unions?
- d. Are there any state, city or county laws that have caused difficulties for your business? If so, how?
- e. [If they offer benefits]: In your opinion, what would make it easier or more likely for restaurateurs to offer benefits to their workers?
- f. How has the pandemic affected how you:
 - i. View the restaurant industry
 - ii. Run your business
 - iii. Think about your employees' needs
- g. Are there any other thoughts you would like to share?

Appendix 6: Restaurant Employee Interview Guide

Oral Consent

Thank you for agreeing to be interviewed for our UCLA graduate research study with the Movement to Organize for Restaurant Equity. We are both master's students in the department of Public Policy and this project is being used to fulfill our thesis requirement. Your participation in this interview is voluntary. The purpose of this research is to understand wage- and benefit-related issues in the greater Los Angeles market. Through this research, we hope to identify policies and practices that will improve the lived experience of restaurateurs and restaurant workers.

We are going to ask questions about your experiences working in the restaurant industry. This interview will take between 45 and 60 minutes. While we will be asking personal questions for context, your name will not be used in the research and your identity will be kept confidential. Only non-identifying information will be used in the study. Feel free to skip any question you do not feel comfortable answering. We are also happy to answer questions you have during or after the interview. If you do have any questions or want to edit anything to your answer after the interview, please contact us at info@uclarerestaurantstudy.com.

We will be thanking you with \$75 for your time today. We can pay you through Venmo, Zelle, or CashApp. Which would you prefer? What is your username/phone number?

We're hoping to record all interviews so we can compare transcripts and look for themes. Do you consent to being recorded?

- I. Background
 - a. Tell us about yourself and your work in the restaurant industry.
 - i. How long have you been in the restaurant industry?
 - ii. How and why did you start working here?
 - iii. Do you have other jobs/careers?
- II. Staffing, hiring, and turnover
 - a. Describe the typical employees that work at your restaurant.
 - i. Are they younger or older? Caring for children? Students? Etc.
 - b. [If they are a manager] How does your workload compare to those you manage?
 - c. How long do employees typically work at your restaurant?
 - d. Are there any differences you've noticed between front-of-house and back-of-house employees in terms of how long they stay at the restaurant?
 - e. How does your restaurant attract new employees?
 - f. Has there been a difference between before and after the pandemic with turnover rates?*
 - g. How does the hiring process for new employees compare between before/after the pandemic?*
 - h. Do people tend to work at your restaurant for a while or is turnover pretty common?
 - i. What reasons do people give for leaving?

III. Wages

(We first confirmed their survey responses regarding average weekly hours worked and pay before asking the following questions.)

- a. Do you feel like you are being paid a fair wage? By fair wage, we mean whether you feel like you are being paid the value of your labor.
 - i. Does this wage meet all of your living expenses?
- b. Do you feel like you are being paid fairly in comparison to your coworkers? (same versus different position)
 - a. [YES] Why?

BUILDING A BETTER PLATE

- b. [NO] Why do you feel there are pay disparities between you and your coworkers?

IV. Tipping and Service Fees/Charges

(We first confirmed their survey responses regarding their restaurant's policy regarding tipping, service charges, auto-gratuity charges, etc. before asking the following questions.)

- a. [If their restaurant has a tip pool or tip share policy] How do you feel about pooling/ sharing tips?
 - i. Is there anything you would change about how the tip pool/share is structured at your restaurant?
- b. How do you feel about restaurants removing tipping in place of higher wages or mandatory service charges for customers?
- c. [If their restaurant charges a service charge, auto-gratuity, etc. on the customer's bill] Can you tell us more about how these charges work at your restaurant and who benefits from them?
 - i. What do you think of these charges? How do they impact you?
 - ii. How do you know you're getting paid the amount you're supposed to from these charges?
 - iii. Are customers expected to tip in addition to paying this fee?
 - iv. [Asked only of front-of-house staff] What have your interactions been like with customers when explaining these charges?
- d. [If their restaurant does not charge a service charge, auto-gratuity, etc. on the customer's bill] What do you think about service charges?

V. Benefits

(We first confirmed their survey responses regarding benefits offerings at their restaurant and their preferences between receiving a given benefit versus a raise before asking the following questions.)

- a. In general, how do you feel about the benefits you currently receive at your job?
 - i. Does receiving benefits affect your decision to work at your restaurant?
- b. Can you elaborate why you would prefer to receive certain benefits over a pay increase?
- c. Sick Pay
 - i. What do you do if you (or your dependent – child/family member) get sick and need to miss work?
 - ii. Have you ever used your paid sick leave, as you are entitled to under CA law?
 - iii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
- d. Health insurance
 - i. How do you access health insurance, including dental and vision?
 - ii. [If offered and enrolled] What type of plan are you on?
 - iii. Do you use this plan for dependent care as well? Why / why not?
 - iv. [If offered and not enrolled] Why are you not enrolled in your restaurant's plan?
 - v. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
- e. Childcare reimbursement or services
 - i. Do you have children?
 - 1. [If yes] How does the restaurant you work at support parents?
 - 2. How could they better support parents?*
 - ii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
- f. Family/maternity leave
 - i. Have you used this benefit before?
 - 1. [If yes] How was that experience of accessing the benefit?
 - ii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
- g. Vacation

BUILDING A BETTER PLATE

- i. When was the last time you had a vacation?
 - ii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
 - h. Retirement
 - i. [If offered and enrolled] Are you happy with this offering?
 - ii. [If offered and not enrolled] Why do you opt out of this benefit?
 - iii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
 - i. Transit
 - i. How do you get to work?
 - 1. [If they drive to work] Where do you park? Is it free?
 - ii. Do you have any difficulties related to transportation?
 - iii. Would you take this benefit into consideration when thinking about applying for a new job or staying at your current job?
- VI. Future Employment Considerations
 - a. Have you considered leaving this job? // Is this your first job in the restaurant industry?
 - i. [YES] Why?
 - 1. Are there any changes the restaurant could make to get you to stay?
 - ii. [NO] Why not?
 - b. If you had the power to set-up the system (restaurant industry) the way you wanted to, how would that look?
- VII. Unions
 - a. There's been a lot of news recently about workers unionizing in many different industries, including the service and hospitality industry. What do you think about this?*
- VIII. COVID
 - a. How did the COVID pandemic affect your restaurant job experience?
 - b. How do you feel the pandemic changed the restaurant industry?
 - c. How did the COVID pandemic affect your priorities regarding wage and benefits?

Appendix 7: Restaurant Worker Data Summary, Los Angeles County

Data Source

Using the 5-Year American Community Survey 2016-2020 (ACS), we compared median wages, demographics, poverty status, and health insurance status between restaurant workers and the rest of the Los Angeles County civilian workforce. We used the 5-Year ACS to ensure a sufficiently large sample size. We followed the standard definition of the civilian workforce, which is all non-institutionalized workers aged 16 or older in non-military occupations who are employed or seeking work (US Census Bureau, n.d.). We defined restaurant workers as the subset of the civilian labor force working in restaurants and other food services (industry code 8680) who are classified under occupation codes 4000-4150 (food preparation and serving-related occupations) of the American Community Survey's 2010 occupation classification scheme (non-managerial workers), or codes 111021, 119051, and 11991XX under the American Community Survey's "occSOC" classification scheme (general and operations managers, food service managers, and other managers) (IPUMS USA, n.d.).

Wage Estimates

A limitation of the ACS is that it does not provide hourly wage data. Therefore, we followed a methodology developed by the Economic Policy Institute to estimate hourly wages by dividing annual earnings from employment wages by the product of usual hours worked per week and the number of weeks worked per year. We excluded extreme outliers from the analytic sample, which are defined as individuals with hourly wages below 50 cents or above \$100 in 1989 dollars (Economic Policy Institute, 2019).

Table 1: Median Real Hourly Wages of Restaurant Occupations, Los Angeles County, 2020

	Share of restaurant workers	Median hourly wage	Estimated median annual earnings (full-time)
Barbacks, Bussers, and Food Runners	3.2%	12.47	25,938
Bartenders	2.5%	20.74	43,139
Cashiers	12.8%	10.53	21,902
Chefs and Head Cooks	6%	15.01	31,221
Cooks	21%	12.04	25,043
Dishwashers	3.1%	11.02	22,922
Fast Food And Counter Workers	4.9%	11.86	24,669
First-Line Supervisors of Food Preparation and Serving Workers	4.9%	13.71	28,517
Food Preparation Workers	10.1%	11.25	23,400
Food Service Managers	8.4%	18.28	38,022
Hosts	2.2%	10.89	22,651
Servers	21%	13.98	29,078

Table 2: Demographic Characteristics of Restaurant and Non-restaurant workers, Los Angeles County, 2020

	Restaurant Industry	Outside Restaurant Industry
Gender		
Male	53.4%	53.9%
Female	46.6%	46.1%
Race		
White	15.2%	26.4%
Black	65.4%	48.4%
Asian or Pacific Islander	3.7%	7%
Hispanic	13.3%	15.5%
Other race	2.4%	2.7%
Citizenship		
Citizen	66.6%	79.8%
Not a citizen	33.4%	20.2%
Age		
16-24	32.9%	11.3%
25-34	29.4%	28.7%
35-44	17.6%	22.2%
45-54	12.5%	19.7%
55-64	6.2%	14%
65 and up	1.4%	4.1%
Education		
Not a high school graduate	26.4%	15.1%
High school graduate/GED	28%	21%
Some college	34.2%	28.9%
Bachelor's degree	9.9%	24.3%
Graduate degree	1.5%	10.7%

BUILDING A BETTER PLATE

Table 3: Demographic characteristics of restaurant industry workers, by occupation, Los Angeles County, 2020

	Overall	Barbacks, Bussers, and Food Runners	Bartenders	Cashiers	Chefs and Head Cooks	Cooks	Dishwashers	Fast Food and Counter Workers	First-Line Supervisors of Food Preparation and Serving Workers	Food Preparation Workers	Food Service Managers	Hosts	Servers
Gender													
Male	53.4%	81.9%	65.9%	25.1%	84.3%	69.3%	86.9%	48%	51%	48.9%	53.6%	20%	42.4%
Female	46.6%	18.1%	34.1%	74.9%	15.7%	30.7%	13.1%	52%	49%	51.1%	46.4%	80%	57.6%
Race													
White	15.2%	13.5%	45.3%	7.6%	11.7%	4.7%	8.6%	16%	15.9%	13.6%	23.6%	22.4%	25.1%
Hispanic	65.4%	74.7%	38.6%	77.2%	53.8%	82.9%	83.9%	64.7%	67%	68.2%	55.2%	53.6%	47%
Black	3.7%	2.2%	6.1%	4.7%	2.7%	2.3%	1.7%	4.9%	6.1%	3.2%	3.2%	12.8%	3.8%
Asian	13.3%	8.2%	4.5%	8.7%	29.8%	9%	4.5%	11.1%	6.6%	12.3%	14.5%	7.9%	21.4%
Other race	2.4%	1.4%	5.6%	1.9%	2%	1.1%	1.3%	3.2%	4.3%	2.7%	3.6%	3.4%	2.8%
Citizenship													
Citizen	66.6%	55.2%	91.1%	76.6%	56.7%	43.4%	37.9%	86%	80.1%	65.5%	77.5%	89.8%	75.7%
Not a citizen	33.4%	44.8%	8.9%	23.4%	43.3%	56.6%	62.1%	14%	19.9%	34.5%	22.5%	10.2%	24.3%
Age													
16-24	32.9%	35.2%	7.7%	62.8%	9.2%	19.5%	23.9%	64.1%	27.8%	39.4%	16.5%	61.8%	33.5%
25-34	29.4%	26.3%	60.8%	20.9%	28.8%	27.5%	24%	21.1%	36.8%	28.3%	33%	23.9%	33.9%
35-44	17.6%	16.8%	17.8%	8%	24.9%	23.7%	18%	6.2%	15.6%	14.3%	25.4%	7.3%	18%
45-54	12.5%	13.8%	9.3%	5.2%	20.3%	19.4%	20%	5.8%	14.2%	10.5%	14.1%	3.7%	9.4%
55-65	6.2%	5.8%	3.9%	2.3%	12.7%	8.5%	11%	2%	4.8%	6.4%	9.1%	1.9%	4.5%
65 and up	1.4%	2.2%	0.5%	0.7%	4.2%	1.5%	3%	0.9%	0.8%	1.1%	1.8%	1.3%	0.7%
Education													
Not a high school graduate	26.4%	42.1%	6.4%	22.9%	25.6%	47%	58.7%	15.8%	17.4%	28.2%	10.2%	14.9%	14.9%
High school graduate/GED	28%	25.7%	18.6%	30.7%	34%	27.6%	23.5%	28.8%	31.5%	28.9%	27.4%	26.9%	26.3%
Some college	34.2%	27.1%	39.5%	41.8%	29%	20.3%	15.2%	46.9%	37.5%	34.3%	39.6%	41.2%	41.6%
Bachelor's degree	9.9%	5.1%	25.6%	4.6%	10%	4.5%	2.3%	7.9%	11.9%	7.7%	18.2%	16.9%	15.3%
Graduate degree	1.5%	NA	9.8%	0.1%	1.4%	0.7%	0.3%	0.5%	1.7%	0.8%	4.7%	NA	1.9%

Table 4: Median Real Hourly Wages, Restaurant Industry Workers versus Other Workers, Overall and by Demographic Group, Los Angeles County, 2020

	Restaurant Industry	Outside Restaurant Industry
Overall median hourly wage	12.61	20.04
Gender		
Male	13.21	20.60
Female	11.91	19.37
Race		
White	15.63	30.37
Black	12.58	20.21
Asian or Pacific Islander	12.60	24.86
Hispanic	12.19	15.84
Other race	14.47	24.21
Citizenship		
Citizen	12.81	21.59
Not a citizen	12.25	14.88
Age		
16-24	10.70	12.17
25-34	13.40	19.24
35-44	13.45	23.48
45-54	13.84	22.80
55-64	13.39	22.85
65 and up	13.11	22.20
Education		
Not a high school graduate	11.85	13.37
High school graduate/GED	12.49	15.78
Some college	12.55	18.84
Bachelor's degree	15.95	29.71
Graduate degree	25.12	41.23

Table 5: Poverty Rates of Restaurant Workers Versus Other Workers, Overall and by Demographic Group, Los Angeles County, 2020

	Poverty rate of restaurant workers	Poverty rate of workers outside restaurant industry	Twice poverty rate of restaurant workers	Twice poverty rate of workers outside restaurant industry
Overall	12.4%	6.2%	80.3%	43.1%
Gender				
Male	10.9%	5.8%	38.7%	21.6%
Female	14%	6.7%	41.8%	21.4%
Race				
White	10.4%	4%	28.9%	11%
Black	16.6%	7.6%	38.3%	21.5%
Asian or Pacific Islander	11.7%	4.4%	34%	14.6%
Hispanic	12.7%	7.8%	44.5%	29.9%
Other race	11.9%	5.8%	30.4%	15.4%
Citizenship				
Citizen	10.8%	4.8%	33.8%	17.1%
Not a citizen	15.4%	11.7%	52.7%	39.2%
Age				
16-24	13.1%	13.9%	39.2%	34.6%
25-34	11.9%	5.7%	39.7%	20.6%
35-44	15.4%	6.5%	47.6%	22.6%
45-54	11%	4.8%	38.9%	20.3%
55-64	6.5%	3.7%	30.8%	15.9%
Education				
Not a high school graduate	16.3%	12.6%	52.5%	42.7%
High school graduate/GED	11.7%	7%	41.4%	28.6%
Some college	11.2%	6.4%	33.9%	20.9%
Bachelor's degree	8.4%	3.1%	27.5%	9.9%
Graduate degree	6.2%	2.1%	22.9%	6.1%

Table 6: Poverty Rates of Restaurant Workers by Occupation, Los Angeles County, 2020

	At or below FPL	At or below 200% FPL
Barbacks, Bussers, and Food Runners	17.2%	32.4%
Bartenders	5.7%	21.2%
Cashiers	15.4%	31.4%
Chefs and Head Cooks	6.6%	25.3%
Cooks	14.3%	32.9%
Dishwashers	22.2%	33%
Fast Food And Counter Workers	17.3%	24.6%
First-Line Supervisors of Food Preparation and Serving Workers	5.5%	25.3%
Food Preparation Workers	15.3%	32.4%
Food Service Managers	5.2%	15.6%
Hosts	14.6%	22.8%
Servers	10.4%	25%

Table 7: Health Insurance Coverage Rates, Restaurant vs. Non-restaurant Workers, Overall and by Demographic Group, Los Angeles County, 2020

	Restaurant Industry	Outside Restaurant Industry
Overall	39.2%	64.9%
Gender		
Male	38.6%	64%
Female	39.8%	66%
Race		
White	52%	74.6%
Black	51.7%	69.9%
Asian or Pacific Islander	36.7%	69.7%
Hispanic	35.5%	56.9%
Other race	53.3%	72.7%
Citizenship		
Not a citizen	23.3%	42%
Citizen	47.1%	70.7%
Age		
16-24	44%	55.3%
25-34	39%	65.3%
35-44	32.5%	67.3%
45-54	37.8%	67.1%
55-64	38.2%	69.5%
65 and up	30%	49.1%
Education		
Not a high school graduate	27.7%	40.6%
High school graduate/GED	38.3%	56.8%
Some college	46%	66.5%
Bachelor's degree	45.1%	77.2%
Graduate degree	62.2%	82.9%

Table 8: Employer-Based Health Insurance Coverage Rates by Occupation, Los Angeles County, 2020

	Has health insurance through employer or union
Barbacks, Bussers, and Food Runners	34.1%
Bartenders	41.7%
Cashiers	35.9%
Chefs and Head Cooks	38.3%
Cooks	31.2%
Dishwashers	24.7%
Fast Food And Counter Workers	47.2%
First-Line Supervisors of Food Preparation and Serving Workers	55.4%
Food Preparation Workers	37.3%
Food Service Managers	57.7%
Hosts	44.9%
Servers	39.1%

Table 9: Health Insurance Coverage Type, Restaurant vs. Non-restaurant Workers, Los Angeles County, 2020

Category	Restaurant Industry	Outside Restaurant Industry
No health insurance coverage	22.7%	11.4%
Insured through employer or union	39.2%	64.9%
Insurance purchased directly	10.1%	8.3%
TRICARE	0.2%	0.2%
Medicaid	27%	13.7%
Medicare	0.8%	1.5%
Veteran's Authority	0%	0.2%

Table 10: Raw Sample Size per Restaurant Occupation, Los Angeles County, 2020

Occupation	American Indian/Alaska Native	Asian or Pacific Islander	Black	Hispanic	Multiracial	Other Race	White	Total
Barbacks, Bussers, and Food Runners	1	37	8	247	7	NA	48	348
Bartenders	NA	15	11	82	14	1	134	257
Chefs and Head Cooks	1	225	14	299	8	3	79	629
Cooks	3	247	47	1804	29	NA	136	2266
Dishwashers	NA	21	3	262	5	1	32	324
Fast Food And Counter Workers	NA	79	26	364	22	2	112	605
First-Line Supervisors of Food Preparation and Serving Workers	2	50	26	368	13	1	87	547
Food Preparation Workers	1	164	31	723	30	3	185	1137
Food Service Managers	2	158	24	517	23	2	232	958
Hosts	NA	29	24	131	12	NA	69	265
Servers	5	570	76	1077	75	5	620	2428



UCLA Luskin School
of Public Affairs

337 Charles E. Young Dr. East, Los Angeles

CA 90095

luskin.ucla.edu

© 2023

Photo: [Daniel Lee](#)