

Sociology professor examines pandemic effect on restaurants

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As the COVID-19 pandemic shutdown continues, restaurants everywhere are feeling the impact. Many closed or switched to curbside and takeout options. But others have been on a months-long roller



coaster—opening as virus numbers dropped and closing down when cases rose. And a large percentage of people filing for unemployment in New Mexico right now are from the restaurant industry.

Eli Wilson, a professor at The University of New Mexico Department of Sociology and Criminology, studies restaurant labor—exploring race, class, and gender inequalities in the foodservice industry. He recently wrote an article titled Pandemic Inequalities: Assessing the Fallout in the Restaurant Industry for *LA Social Science*, an e-forum published by his alma mater, the University of California, Los Angeles.

In his article, Wilson highlights the breadth of issues that are currently affecting the service sector that works in restaurants. Kitchen workers (who are often undocumented) and front-of-the-house (FOH) workers (who are often young, white, and middle class) at takeout places and sit-down restaurants are all having different experiences during the pandemic.

According to Wilson, <u>undocumented workers</u> find themselves in particularly dire straits. Without proper work authorization, these individuals cannot seek federal assistance, including funds from the federal aid package, despite being laid off and having paid into the taxes that are funding that aid.

"Before the pandemic, the industry's millions of undocumented workers were already a largely invisible group employed mainly in physically taxing back-of-the-house jobs with low wages and few benefits. Reduced work hours and widespread layoffs will push many to grapple with the inability to meet their family's basic needs and nowhere to turn for help but friends and relatives in equally precarious situations."

However, FOH workers don't get off easy either and are experiencing what Wilson says is "the most dramatic relative impact... because of the



structure of their jobs, the pandemic is nothing short of an employment Armageddon for the nation's nearly four million servers, bartenders, baristas, hosts, and cashiers."

Besides, fewer customers mean fewer hours of work and fewer tips. Servers and bartenders at higher-end restaurants can make \$15 to \$30 per hour in tips on top of their base wages. Even if some restaurants can maintain employee payroll during this period, without customers or tips workers will find themselves among the lowest-paid in the country.

Wilson noted that New Mexico restaurant and foodservice employees comprise roughly one out of every 10 employees, similar to California and nationwide. However, a notable difference between California and New Mexico is the "tipped minimum wage." The minimum wage for employees who customarily make tips is \$2.35 an hour in New Mexico-scheduled to increase to a "paltry" \$3 an hour by 2023. By contrast, California is one of only a handful of states that does not have a tipped minimum wage, meaning the regular minimum wage stands for all employees.

"This is a huge boon for front-of-the-house restaurant workers in California and a wash, financially, for those in the back of the house who generally don't make tips," Wilson said. "But I think it is safe to say that everyone in the industry is suffering in unprecedented ways. How can you compare the relative damage incurred by cooks forced to wear masks and gloves while working reduced schedules with managers that are currently furloughed with restaurant owners who have their life savings on the line?"

Upscale restaurants are suffering also, often worse than smaller places offering food to go.

"Upscale, or 'white tablecloth,' full-service restaurants are getting



hammered right now, no question about it. I suspect some did not partially reopen even if they could have last month, because margins on expensive perishable items such as steak and lobster do not make sense when you can only serve at max one-fourth to one-half of your regular dining room customers, and now that service is closed again. Fast food is managing a little better, for reasons of convenience, price, and the popularity of comfort foods during these stressful times," he observed, adding that restaurants with sizable patios have found themselves with more ability to retain business because of state policies barring indoor dining but allowing outdoor service.

Although some restaurants could open with safety measures in place, he said, that has complications too, remarking, "It is clear that a high-touch service style is over for the foreseeable future. Crouching down next to customers, touching their shoulders, handing over plates, drinks, and silverware directly to customers could be dangerous to both workers and customers."

Furthermore, he added, "The dystopic plastic guards between tables and fully automated electronic consoles for ordering in some dining rooms just don't feel right. Let's remember that pre-pandemic, people went out to eat for the experience, for the atmosphere."

There is no one-size-fits-all solution that will work for all restaurants to stay viable and each one will have to figure out its way of navigating public safety with their brand of foodservice," Wilson said.

"Selling takeout food alone is a failing business for 90 percent of restaurants. But it is better than being fully closed," he observed. "The best short-term solution that I've seen is to allow restaurants to use their parking lots and expand their outdoor seating to safely accommodate more customers. This will keep workers employed in kitchens and makeshift dining spaces, too. I've also heard reports that some cities in



the state are offering to lend restaurants canopies to use for outdoor seating, which I think is a great idea."

Wilson said he believes Gov. Michelle Lujan Grisham had no choice when she mandated another round of indoor dining closures as of July 13, but noted, "Sadly, this round of restaurant closures may result in many permanent closures as restaurants that were hanging by a thread do not have the capital to wait out this uncertainty. Unless there is another round of cash infusion from the government that can be distributed quickly."

Opening and closing according to COVID-19 numbers is challenging for restaurant owners.

"Restaurants hate this kind of induced volatility because, as you can imagine, labor and raw ingredients do not just turn off and on. These decisions are emotional and costly—not to mention a logistical nightmare—and I feel for everyone in the industry who is caught in the crosshairs right now... Very few restaurants were able to turn a profit based on outdoor dining and takeout business alone."

A group of restaurant owners backed by the New Mexico Restaurant Association has decided to protest the recent forced closures for these reasons. Wilson said it's likely they will highlight the number of jobs lost should restaurants shut down, "which is tremendously disheartening, but I don't see this moving the political needle to hasten reopening with the ongoing public health crisis."

Even when the pandemic lifts and people can return to some semblance of their former lives, restaurants will not necessarily rebound, he said.

"There will be an aftershock in the form of a lack of consumer trust in returning to restaurants. The buzz and bustle inside a popular restaurant



where workers are a blur of choreographed motion behind the bar and in the kitchen are still fresh in my mind, but it will be a long time until that level of business returns. I am optimistic that it will at some point, because restaurants are crucial 'third spaces' in a disengaged world, but many current restaurants may not be around to see this day."

In the meantime, he suggested consumers buy takeout regularly from their favorite establishments, tip delivery people well, and purchase gift cards.

"We want to ensure that when the effects of this pandemic subside, our neighborhood gathering places and those who work in them can rebound as quickly as possible."

Wilson's first book is "Front of the House, Back of the House: Race and Inequality in the Lives of Restaurant Workers" and will be released this fall through NYU Press. The book is based on six years of ethnographic research in which Wilson personally worked in three different restaurants in Los Angeles to gain an insider perspective.

More information: Eli Wilson, Pandemic Inequalities: Assessing the Fallout in the Restaurant Industry for LA Social Science. *LA Social Science* (2020). <u>lasocialscience.ucla.edu/2020/ ... restaurant-industry/</u>

Provided by University of New Mexico

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