

THE HANDS THAT FEED US

CHALLENGES AND OPPORTUNITIES FOR WORKERS ALONG THE FOOD CHAIN

BY THE FOOD CHAIN WORKERS ALLIANCE



June 6, 2012

RESEARCH SUPPORT PROVIDED BY
The Restaurant Opportunities Centers United
and the DataCenter

WRITING SUPPORT PROVIDED BY
Saru Jayaraman, Director
Food Labor Research Center, University of California, Berkeley

FUNDING SUPPORT PROVIDED BY
The Ford Foundation
The Surdna Foundation
The Jessie Smith Noyes Foundation
The Ben & Jerry's Foundation
The Norman Foundation
The Sociological Initiatives Foundation
The Abelard Foundation East
The Presbyterian Hunger Program



EXECUTIVE SUMMARY

The sustainability and prosperity of the United States food system is critical to the health and prosperity of workers, employers, and consumers nationwide. In addition to feeding the nation, the U.S. food system is a large and growing segment of the U.S. economy and an increasingly important provider of jobs. The food production, processing, distribution, retail, and service industries collectively sell over \$1.8 trillion dollars in goods and services annually, accounting for over 13 percent of the United States Gross Domestic Product.*

Core food occupations and industries include farmworkers (production), slaughterhouse and other processing facilities workers (processing), warehouse workers (distribution), grocery store workers (retail), and restaurant and food service workers (service). While there are other workers involved in the food system, in this report we focus on these five core segments of the food chain. These particular segments employ in total approximately 20 million workers (19,980,227), who constitute one in five private sector workers and one-sixth of the nation's entire workforce.

Using multiple data sources and methods, this study examines wages and working conditions across the food system, advancement opportunities for workers, and potential opportunities for consumers and employers to improve prospects for food workers. These are critical questions for the future of all the food system's stakeholders—including workers, employers, and consumers. This executive summary highlights the report's key findings.

THE WORKERS: LOW STANDARDS, POTENTIAL MOBILITY

There are some livable wage jobs and outstanding employers throughout the food system that facilitate worker advancement and sustainable working conditions. However, most jobs in the food system provide low wages with little access to health benefits and opportunities for advancement. Only 13.5 percent of all food workers surveyed for this report earned a livable wage.

UNIVERSALLY POOR WAGES & WORKING CONDITIONS

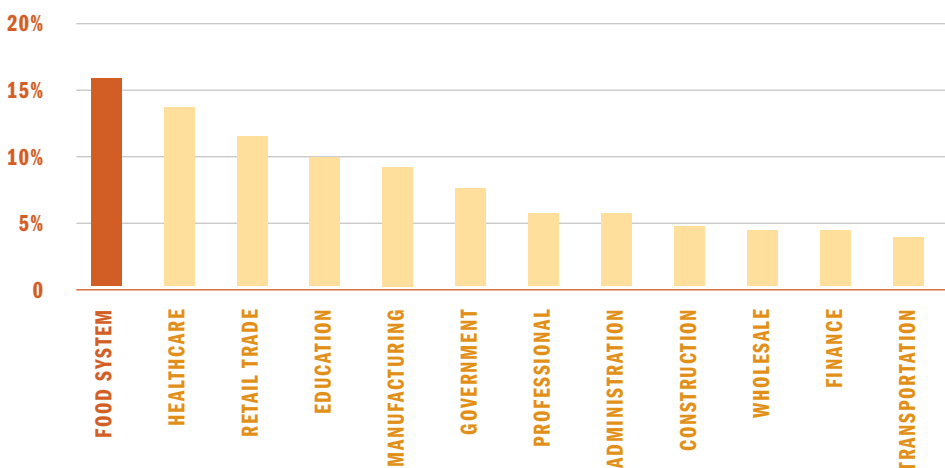
More than 86 percent of workers surveyed reported earning low or poverty wages. Ironically, food workers face higher levels of food insecurity, or the inability to afford to eat, than the rest of the U.S. workforce. In fact, food system workers use food stamps at double the rate of the rest of the U.S. workforce. They also reported working in environments with health and safety violations, long work hours with few breaks, and lack of access to health benefits. Table 1 reveals some of the data reported by the more than 600 food system workers surveyed for this report.

*2007 U.S. Economic Census for total sales for NAICS codes 311, 722, and 445, and <http://www.agcensus.usda.gov/Publications/2007/Full_Report/Volume_1,_Chapter_1_US/st99_1_001_001.pdf>: Agriculture = \$297,220,491,000, Food Manufacturing = \$589,580,258,000, Food and Beverage Stores = \$541,202,096,000, Food Service = \$432,905,044,000; Gross Domestic Product or Expenditure, 2007 = \$14.0742 trillion, <<http://www.infoplease.com/ipa/A0104575.html>>

1 The total number of non-farm and non-fisheries food sector workers measured by the Bureau of Labor Statistics Occupational Employment Statistics program was 17.9 million persons in May 2009. This includes food-related occupations in non-food industries and all occupations in core food industries. We extracted food production worker employment numbers and wages using 2010 data from the U.S. Department of Labor's Bureau of Labor Statistics, 2007 United States Department of Agriculture's Census of Agriculture, and 2009 U.S. Census figures for fishing industry employment numbers, which totaled 2,995,447.

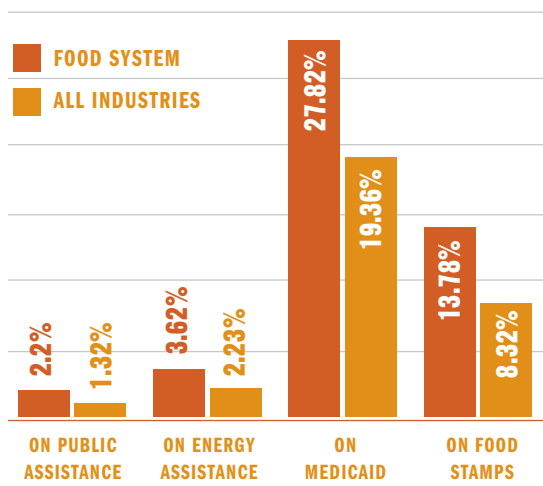


Fig.2 FOOD SYSTEM WORKERS AS A PERCENTAGE OF THE U.S. WORKFORCE 2010



Source: 2010 Bureau of Labor Statistics Occupational Employment Statistics (BLS OES) for all sectors except food sector. Food Sector is our calculation based on 2010 data from the U.S. Department of Labor's Bureau of Labor Statistics, 2007 U.S. Department of Agriculture's Census of Agriculture, and 2009 U.S. Census figures for fishing industry employment numbers.

Fig.3 USE OF PUBLIC ASSISTANCE BY FOOD SYSTEM WORKERS V. U.S. WORKFORCE, 2010



Source: BLS OES 2010

POTENTIAL MOBILITY

Some segments of the food chain do have greater potential than others for career advancement to livable wage jobs, particularly in restaurants, grocery stores, and food and meat processing. Within these segments, the potential for advancement within one particular firm is more accessible than in others. However, actual mobility is limited, and discrimination and segregation concentrate people of color and immigrants in the lowest-paying positions.

Until there is significant improvement in job quality, the limits on career mobility and promotion are significant. The fact that 86.5 percent of the workers we surveyed reported earning low, poverty, or subminimum wages means that for most of these workers, upward mobility in the food system will require lifting standards system-wide.

THE EMPLOYERS

We interviewed 47 small to mid-size food system employers. Many employers stated that competition with large food corporations created more challenges for business success than the economic downturn. These challenges included pricing. Several employers said that they maintained their business in the face of competition by focusing on niche markets, particularly providing local, sustainable, and organic products, and by lowering labor costs, to the detriment of workers.

Most employers agreed that providing better wages, working conditions, and advancement opportunities decreases worker turnover and increase productivity. However, many admitted to not actually engaging in these practices. Nevertheless, the fact that employers agree in principle indicates that there is potential for industry change, and potential demand from employers for greater tools, incentives, and training to improve wages and working conditions in the food system. In fact, there are outstanding employers in every segment of the food chain, demonstrating that taking the 'high road' to profitability—namely providing livable wages, working conditions, and advancement opportunities—is possible.

WAGES & WORKING CONDITIONS FOR FOOD CHAIN WORKERS

WAGES		LACK OF MOBILITY	
MEDIAN WAGE \$9.65		32%	Did not receive any training by employer when employment began
%	WAGE SEGMENT	74%	No ongoing job training by employer
23%	Subminimum wage	75%	Never had opportunity to apply for better job
37.6%	Poverty wage	81%	Never received a promotion
25.8%	Low wage		
13.5%	Living wage		
HOURS WORKED		EMPLOYMENT LAW VIOLATIONS	
40%	Worked more than 40 hours per week	36%	Experienced wage theft in the previous week
11%	Worked more than 60 hours per week at 2 or more employers	\$35.48	Average weekly wage theft
		12%	Observed minors working in workplace
ACCESS TO BENEFITS		BREAKS	
79%	Do not have paid sick days or do not know if they do	30%	Did not always receive lunch break
83%	Do not receive health insurance from employer	40%	Did not always receive 10-minute break
58%	Do not have any health care coverage at all		
53%	Have worked when sick	HEALTH AND SAFETY	
35%	Used emergency room for primary care	52%	Did not receive health and safety training from employer
		32.7%	Did not receive proper equipment to do their job
		11.7%	Did something that put their own safety at risk
		57.2%	Suffered injury or health problem on the job

Source: Food Chain Workers Alliance Survey Data

THE CONSUMERS: COST & ENGAGEMENT

Without a sustainable wage floor or basic benefits such as paid sick days for all workers in the food system, we put the nation's food supply at tremendous risk on a daily basis. Given the size of the industry and its impact on our nation's economy, food security, and public health, it is imperative that wages and working conditions improve for the 20 million workers in all segments of the chain. Our research shows that:

- Due to a lack of sick days provided by employers, more than half (53%) of the workers surveyed reported picking, processing, selling, cooking and serving food while sick, an average of at least three days per year.
- Due to a lack of employer-provided health benefits, more than one third of all workers surveyed (34.8%) report using the emergency room for primary health care. In addition, 80 percent of these workers are unable to pay for such care.
- Furthermore, given low wages, food system workers use public assistance at higher rates than the rest of the U.S. workforce.

POTENTIAL FOR CONSUMER INTERVENTION

The food system holds tremendous potential to engage consumers of the nation's food supply and employers of small and mid-size food enterprises to help create the necessary policy changes to raise basic standards for workers throughout the food system.

Intense corporate conglomeration in every segment of the food chain has greatly diminished the quality and biodiversity of our food. In interviews, small and mid-size food enterprises reported that market consolidation has also created unsustainable competition for them. Corporate consolidation has also contributed to unsustainably low wages and benefits for food system workers, in both large corporations and small to mid-size businesses struggling to compete.

Largely in response to this corporate consolidation, consumers have engaged directly and vociferously over the last ten years in support of small farms and sustainable and locally-grown food, resulting in the industry taking strides to address these concerns, as reported by employers we interviewed. In addition, the supply and purchase of food presents the opportunity to link working conditions to unique policy levers. Procurement regulations, liquor licenses, and food safety licenses could help lift standards for workers across the food system. For example, some localities are seeking to use the liquor licensing process to regulate food businesses on both employment practices and the provision of unspoiled, healthy food, building coalitions of food justice and labor organizations. These unique policy levers, combined with the examples of previous successful consumer engagement in the food system, demonstrate the potential to engage consumers and small and mid-size employers on policy issues that will lift wages and working conditions for the 20 million workers in the food system.

POLICYMAKERS SHOULD:

- 1 Increase the minimum wage, including the minimum wage for tipped workers.
- 2 Reduce occupational segregation for food chain workers by working with employers to develop greater pathways for career mobility within the food system.
- 3 Improve food safety and the public's health by guaranteeing food system workers health benefits such as paid sick days and access to health care.
- 4 Increase penalties for food system employers who engage in exploitation, including wage theft, especially through regulatory levers such as liquor licenses.
- 5 Address the serious health and safety risks imposed upon workers in the food system, including providing workers with adequate rest breaks.
- 6 Guarantee workers in the food system the right to organize, and protect against retaliation for organizing.
- 7 Ensure that institutional procurement policies and governmental subsidies and loan programs include labor standards and worker protections.
- 8 Initiate and support further study and dialogue, especially on potential career pathways for workers in the food system and the consumer impact of food system workers' wages and working conditions.

CONSUMERS SHOULD:

- 1 Support responsible food system employers who are providing livable wages, benefits, and advancement opportunities for all workers, and who provide sustainable food.
- 2 Speak to employers with every purchase of food or restaurant visit and let them know consumers care about livable wages, benefits, and opportunities for people of color, women, and immigrants to advance in the food system.
- 3 Where workers have filed legal charges or have a campaign against exploitation in food enterprises, call the company to let them know that they will not support such illegal practices.
- 4 Let policymakers know that consumers will not tolerate poverty wages, lack of basic health benefits, including paid sick days, and wage theft in the food system.
- 5 Help educate other consumers and food justice advocates about the need to include sustainable working conditions for food workers within the definition of sustainable food.

EMPLOYERS SHOULD:

- 1 Permanently enhance job quality by increasing wages and benefits.
- 2 Adopt systematic and fair hiring and promotion practices.
- 3 Adopt and clearly communicate company policies and procedures, including anti-discrimination and harassment policies, to protect the well being of all workers.
- 4 Adopt benefits, such as paid sick days, that would allow employees to care for themselves and their families.
- 5 Understand and follow equal opportunity laws and techniques that successful food system employers use to implement livable wages, benefits, and career ladders.
- 6 Respect the internationally recognized workers' right to freedom of association and collective bargaining.



PHOTO Scott Robertson



PHOTO United Food and Commercial Workers International Union



PHOTO Darren Linker, Youth Worker Health and Safety Education Program, University of Washington



PHOTO UNITE HERE

METHODOLOGY

This report draws upon government data gathered from the U.S. Department of Labor, Bureau of Labor Statistics and from the Current Population Survey (CPS), as well as from numerous secondary sources. The report also draws upon original data—629 surveys of workers across the food chain and 47 interviews with food employers in regions across the United States. The surveys and interviews were conducted by 11 member organizations of the Food Chain Workers Alliance—Brandworkers International, CATA—the Farmworkers Support Committee, Center for New Community, Coalition of Immokalee Workers, Northwest Arkansas Workers' Justice Center, Restaurant Opportunities Centers United, Restaurant Opportunities Center of New York, UFCW Local 1500, UFCW Local 770, Warehouse Workers for Justice, and UNITE HERE.



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**THE ALLIANCE WOULD LIKE TO THANK THE MANY PROFESSORS, RESEARCHERS, STUDENTS,
INTERNS, EMPLOYERS, AND WORKERS WHO DEVOTED MANY HOURS TO CONDUCTING SURVEYS
AND INTERVIEWS AND GENERALLY ASSISTING WITH THIS PROJECT.**

ALLIANCE MEMBERS

Brandworkers International
Center for New Community
Coalition of Immokalee Workers
Comité de Apoyo a los Trabajadores Agrícolas (CATA – Farmworkers Support Committee)
Just Harvest USA
International Labor Rights Forum
Northwest Arkansas Workers' Justice Center
Restaurant Opportunities Center of New York
Restaurant Opportunities Centers United
UNITE HERE Food Service Division
United Food and Commercial Workers (UFCW) Local 770
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Warehouse Workers for Justice
Warehouse Workers United