THE By: Benjamin Alvarado PLANTATION

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The Shift System **\$Grueling Work** "He was describing the 9-to-5 grind in a worker's life,

Restaurant Industry \$Slave owner mentality

"After his shift, he said he was tired of the customers. 'They think they still own us,' he said ."

especially in the restaurant or food service industry."

Minimum Wage

\$Enough to stay alive

"The first minimum wage in the country in 1938 also made it legal for employers to pay \$0 if workers' tips equaled the minimum wage."

Labor Cost

\$Meager Pittance

"When I was manager, to keep labor costs below the average 30%, I scheduled or hired more servers and reduced the quantity of other personnel."

Tipping Wage

\$0 (in 1938)

"It is a practice Americans brought from England that spread nationwide during the Civil War."

Slavery and Discrimination À La Carte



hen Charles Bukowski, an author, wrote that "Slavery was never abolished, it was only extended to include all the colors" in a letter to Black Sparrow Press' publisher, John Martin, in 1986, he was describing the 9-to-5 grind in a worker's life, especially in the restaurant or food service industry.

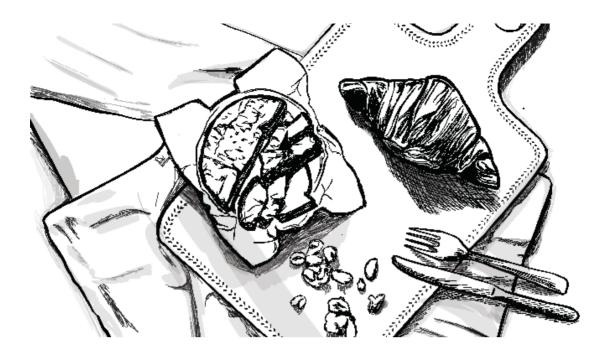
Bukowski's words resonated with me as someone who worked in the restaurant industry for over 20 years. Hours of grueling work. Subminimum wages. Abuse and maltreatment from employers and customers. I spent 19 of my 20-plus years as a general manager at a very successful franchise restaurant. According to Leon Kaye, in the Triple Pundit website article "It's Time the Restaurant Industry Shed This Legacy of Slavery," said that the U.S. restaurant industry's foundations were laid during the slavery era, and many old practices have continued in modern times. For Sarah Toscano, a freelance writer who examined Black people's contributions to New York's dining culture in her article, "Centuries of Racialized Food for Thought: Columbia University, Slavery & the Food Industry," the industry would not have existed without slave labor.

Many restaurant owners in the United

States used enslaved Blacks and slave labor to establish profitable businesses that enabled them to live well and send their children to college. Between the 1920s and 1930s, restaurants with names such as The Plantation operated nationwide. Restaurants with plantation names in the United States still exist, like, The Old Plantation Restaurant at Medicine Park, Oklahoma, and Plantation House at Lahaina, Hawaii.

This modern-day slavery started when President Abraham Lincoln abolished slavery in 1863. Business owners saw legal low-wage labor opportunities, particularly in the restaurant industry. They hired African Americans to reduce labor costs. One practice that took root during this time was tipping.

Tipping did not start in the United States. It is a practice Americans brought from England that spread nationwide during the Civil War because people in the restaurant and hospitality industries did not want to pay formerly enslaved people. According to The Rev. William J. Baker, the president and senior lecturer at Repairers of the Breach, companies like the Pullman Co. "hired newly freed African American men as porters. Rather than paying them a real wage, Pullman provided the black



porters with just a meager pittance, forcing them to rely on tips from their white clientele for most of their pay." The tipping wage was \$0. The media also supported these actions because they mostly affected Blacks. In Kerry Segrave's 1998 Tipping: "An American Social History of Gratuities", he quotes Arthur Gaye as saying in 1891 that someone who receives a tip is one "who is presumed to be inferior to the donor, not only in worldly wealth but in social position also. The Salt blogger Nina Martyris said in her article "When Tipping Was Considered Deeply Un-American" that in 1902, journalist John Speed wrote, "Negroes take tips, of course; one expects that of them-it is a token of their inferiority." The first minimum wage in the country in 1938 also made it legal for employers to pay \$0 if workers' tips equaled the minimum wage. Today, while much of Europe has banned tipping, the federal minimum tipping salary in the United States has grown from \$0 in 1938 to \$2.13 per hour. In Texas, it is \$2.13. These low numbers are the biggest reason restaurant workers left the industry in

droves after COVID-19 hit. Let me explain how this works so you can understand why it is a problem. The Wage and Hour Division website shows that in most states, the Fair Labor Standards Act (FLSA) mandates that workers receive a minimum wage of \$7.25 per hour. That means they must average \$5.12 each hour in tips, leaving their salaries up to the customers who may or may not have enjoyed their service. For servers, tips are their primary source of income.

When I was general manager, servers and delivery drivers must also enter their total cash tips into the system at the end of their shifts. When the cashier closes a server's ticket, the point of sale automatically includes credit card tips to their wages. The servers are responsible for separating cash tips from credit card tips because they manually enter the amount of non-credit-card tips they earned at the end of their shifts when clocking out. Some of them are trustworthy, while others are not. That is the reality. But wait. ... there's more.

Apart from running an entire restaurant,



hiring and assisting with onboarding paperwork such as I-9s, training and firing, part of my job was to confirm their payroll weekly. I could see the number of tips servers and delivery drivers manually submitted daily. Because the restaurant did not use direct deposit, I distributed paper checks on payday. I saw that all their tips were in their wages. The more tips servers had, the less money they received in checks. insurance tax rates. Sometimes, management asked workers they wanted to fire to voluntarily sign a termination form in exchange for positive future references if they didn't want to go through the process of collecting written warnings. On the website Nolo, Lisa Guerin reported that in most cases, voluntary terminations disqualify employees from unemployment benefits. My company's priority was to avoid unemployment benefits at any cost.

Plus, taxes were deducted. At the end of

In Dew Smith's 7Shifts blog, "[Study] Is



the month, we also got a report that told us which employees were under-earning tips and straining our budget.

A manager does not verify tips by going through servers' pockets. However, if they do not earn the requisite average of hourly tips, a business must pay them from its budget to meet the state's required \$7.25 minimum wage. This increases labor costs and could ruin their profit and loss statements (P&L). Where I worked, the management retrained waiters with a history of low tips to assist them in increasing them. If their tips did not improve, management lowered their hours until the servers resigned willingly. If fired, they would be entitled to unemployment compensation, which employers detest because it increases their unemployment

Minimu

Workplace Happiness All About Pay? What 1,900+ Restaurant Staff Think," she surveyed over 1,900 workers in fullservice restaurants. Of this number, 51% were servers or bartenders and 22% were cooks. When I was manager, to keep labor costs below the average 30%, I scheduled or hired more servers and reduced the quantity of other personnel because a server gets a minimum salary of \$2.13 per hour. This shifts the cost to the customer.

If the manager maintains an equal number of employees in the front and back of the house, management urges servers to earn more gratuities to reduce labor costs. In our company, upper management recommended reducing the minimumwage cooks and delivery drivers and raising

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the number of servers. The business could get three to four servers for the price of one cook or delivery driver, thereby decreasing its labor cost %age. Therefore, cooks and delivery drivers had to work harder due to needing more personnel in their areas. Author Charlies Bukowski also said, "They never pay the slaves enough so they can be free, just enough so they can stay alive and come back to work." The low salary produces fear and uncertainty about their ability to survive without it.

In addition, I witnessed numerous instances of racism and humiliation directed toward our personnel and myself in the food service industry. It came from all races. On Oct. 7, 2021, Ron Ruggles from the Nation's Restaurant News website reported that a Snagajob-Black Box survey found that 62% of restaurant workers had experienced emotional abuse and customer disrespect.

Ashely Lugo, assistant manager at the Burger King at 925 Frontage Road in Brownsville, Texas, since January 2022, said, "We have a lot of bad experiences with customers. When the customer yells at you for no reason. Once, we didn't have mayo in a package, and the customer yelled. I offered to give mayo in a cup for the drink, and the customer said that was very unprofessional, and she yelled at me for a good five minutes." customer ended up like leaving after yelling at me," Lugo added. "She yelled at my cashier first and then at me. The cashier let it get to her. She was crying. She was a whole mess, and it seemed to bother her, and I had to send her home. We get at least one difficult customer a day."

In 2008, I hired an African American man as a waiter. While ringing people during a lunch rush, I heard him yelling at a customer.

When I approached the dining area, he threatened to attack the customer. I drew him aside and asked what had happened. He did not respond.

After his shift, he said he was tired of the customers. "They think they still own us," he said.

According to another customer, two Hispanic males repeatedly threw racial epithets at him. I asked the men to leave. Before leaving, one of the men said, "Why do you hire those people? They're not even from here."

The next day, he submitted his two-week notice, which was unfortunate because I was considering him for an assistant manager position.

One afternoon, a delivery driver called in sick, and I had to deliver a sandwich to a customer who lived in a beach home on the second floor. A white man answered the door and asked for the bill. I handed over the receipt,

"I have to hold myself 'cause I have a very strong personality. So I have to hold myself back a lot to say nothing, and the

Coupor

and he showed me a coupon.

I told him I couldn't take the coupon because it was only valid for buffalo wings, not sandwiches. He got offended and asked if I was trying to say his phone book was worthless.

I respectfully responded that I was not



suggesting that. I explained again that the coupon was for wings, not sandwiches. He opened the sliding door facing the street where I parked my vehicle and hurled the phonebook out the window. It landed near my vehicle, where it ripped on the gravel. After I handed him the change, he got so close to my face that our noses almost touched and ordered me to fetch the phone book and hand it to him.

I was frustrated and intimidated as I approached my vehicle. I could not hold my keys firmly because I was shaking. He shouted from the open window that I should not forget his phone book.

I grabbed the phone book and flung it at him, shattering his window. He shouted racist insults at me and threatened my life. I ran back to my car and fled. I expected to get fired or receive a written warning, at the absolute least. The man never filed a complaint, and to my knowledge, he never ordered again.

The manager of the Domino's at 939 N.

Expressway in Brownsville, Texas, Graciela Gavina, described her experience with customers in which cooks accidentally prepared their orders incorrectly.

"They come and like, literally, throw the food at you," Gavina said. "We're all human. We make mistakes."

Another issue in the restaurant business is age discrimination. The Age Discrimination in Employment Act (ADEA) prohibits age discrimination in the workplace for those over the age of 40 unless it is "reasonably required to the regular running of that specific company or activity," said attorney Tom Spiggle on July 8, 2015, in The Spiggle Law Firm website. This requirement is known as the bona fide occupational qualification (BFOQ).

However, according to the website Zippia, just 6% of the nation's restaurant workers are over 40. Thirteen % are between 30 and 40 and 51% are between 20 and 30. During company meetings where I worked, our area manager told us not to consider anybody over 40 for servers. Based on the six fast-food restaurants that I visited in Brownsville, Texas, such as Burger King, The Pizzeria, Domino's, Subway, Papa John's and Taco Bell, had few workers older than 40. Papa John's, The Pizzeria and Subway had none. Burger King has seven out of 15, while Domino's did not reveal its data when contacted.

Hector Garza, an assistant manager of the Taco Bell located at 3801 International Blvd. in Brownsville, Texas, said they have about 20 employees. One or two are above age 40. Even though we displayed the Texas and federal labor laws banner on the wall, upper management encouraged us to "reconsider" hiring employees above 40. My area manager said that older adults are more prone to be involved in or cause accidents.

From my experience, requiring a date of birth on an application for a restaurant employee serves three purposes. The first is to ensure that the applicant is of legal working age. The second is for background checks. The third and relatively unknown reason is determining if their age disqualifies them. Many older candidates qualify for management or entry-level positions based on their experience, education, and general knowledge. However. ...

Our workers were entitled to benefits only upon promotion to manager. Assistant managers had no benefits, including health insurance, unless they paid for it themselves.

The company rejected Mexican physicians' medical excuses, resulting in a written warning for an employee who missed a day of work due to medical reasons without the required doctor's excuse. If an employee needed more than a week out for medical reasons, they had to sign a leave of absence agreement allowing them to remain away from work for up to three months without pay.

In addition, part of our job was to evaluate employee performance annually to consider a 10-cent raise. If the store manager approved the raise, it required further approval from the area supervisor and three other people at human resources. Five signatures and approvals were necessary for 10 cents and employees could not request a raise until their anniversary.

The pay was neither hourly or salaried in my first management position. It was on a commission basis. Once the store's sales hit \$14,000, I earned five % of those sales, then three % after that. The salary was fair, but it came at a cost. The job was quite stressful and there was little to no balance between personal life and work.

> The minimal workweek for general managers was 50 hours, with one or two days off. Restaurant jobs rob you of your life. Due to the speed of the business and unrealistic expectations, one will age from 20 to 45 overnight.

> James Cunningham, an assistant manager at Papa John's on 4237 N. Expressway 77 in Brownsville, Texas, said that maintaining a good work-life balance is difficult because some weeks are more challenging than others.

> Furthermore, a company called EcoSure inspected our stores every six months. A grade between 70 and 100 was necessary to pass an inspection. A score of 69 meant failure, and any grade over 70 was passing. Our company wanted a score of 95 or above, which was possible but unrealistic. If general managers did not get this grade, they

were required to work at least 60 hours per week for six months as punishment. Therefore, managers sometimes worked 70 hours a week, including their days off, to make up for staff shortages, which happened frequently.

Apart from this, the general manager's commission-based compensation did not affect our company's labor costs. Managers understood this concept-a 5 % commission on \$14,000 netted them \$700.00 weekly. However, at 70 hours per week, the manager earned \$10 per hour. That's about \$2.75 more than the minimum wage. That does not account for payroll deductions. In that instance, some managers' salaries came close to the minimum wage because commission does not pay overtime. Yahir Villegas, manager of The Pizzeria, ocated at 2355 US-83 #5, Brownsville, Texas, said he works 50 to 60 hours per week, six days a week, while Gavina works 50 hours per week, six days per week. Villegas added that he sometimes works a few hours on his day off to replace shifts for absent staff.

"Sometimes it's hard," Gavina said of work-life balance. "I have kids. With the pandemic and everything going on. ...it's hard sometimes."

Additionally, 62% of the more than 1,900 restaurant employees surveyed by Dew Smith said that money and raises would significantly influence workplace happiness. The website Toast reports on "How to Calculate your Restaurant Turnover Rate" that the national restaurant industry turnover rate in 2018 was 75%, which

according to the website Notch's "The Restaurant Turnover Rate is Astronomical. Here's Why (and How to Fix It" is 1.5x higher compared to all other private sectors. Insider's website discovered that the turnover rate had skyrocketed to 144% in 2022. A 2022 job report by the website Joblist found that in the first half of 2022, 59% of restaurant workers did not receive a pay raise, and Notch discovered that 28% were resigning to search for better pay opportunities.

According to "Majority of Texas Fast-Food Workers on Public Assistance Programs," published by Corrie Maclaggan on The Texas Tribune's politics and public policyspecific website on October 15, 2013, 59%

> of restaurant employees' families get some government aid, compared to just 25% of families in the broader working sector.

In 2010, when the company transferred me to a higher volume store, I met an employee who had been with the company for 10 years. A year after the minimum wage increased from \$6.55 to \$7.25, he made \$7.75 per hour. When we met, his first question was, "Are you going to give me a raise?"

I had heard only positive feedback about him until a few months ago. He was devoted to the company, hard-working, and punctual, and he contacted the restaurant on most of his days off to offer his help. According to his most recent evaluations, his performance had dropped.

Management said that he was doing poorly. I kept a careful eye on him for two months; based on my analysis, he was an excellent employee. He did his

job well, was kind to his coworkers and was a great team member.

Then, one day, when I asked him to remain a little longer because one worker had called in sick, he said, "After 10 years with the company, I am earning 50 cents over minimum wage. Well, \$7.75 is all I'm willing to give you. *No más.*" He clocked out and left. Was I upset? Yes and no.

Yes, because I had to cover a shift. No, because I saw an unfair expectation from a company loyalist. Even though he was executing his duties well, the company demanded more for the same money. When he opted to serve only his duties, the company saw him as a terrible employee, unworthy of the 10-cent annual raise. A few months later, I requested a pay raise for him. Based on his previous two appraisals, the area manager automatically declined it. On Christmas, one of the year's busiest days, he did not show up to work, and the following day he resigned. The issue is more widespread than you think.

According to the website Casetext's "Marin v. Dave & Buster's, Inc.," in May 2015, Maria De Lourdes Parra Marin sued Dave & Buster's. Dave & Buster's management told all full-time employees in June 2013 that, with the Affordable Care Act from Jan. 1, 2015, the company would reduce all full-time employees to part-time to save \$2 million and limit employee eligibility for health insurance. Marin's weekly hours dropped from 45 to an average of 17. On Jan. 23, 2019, Emerson Reid's website reported that Dave & Buster's agreed to a \$7.4 million settlement.

Likewise, our company forced all general managers to minimize staff hours to avoid employees' health insurance eligibility. The company reduced the full-time status of 25 of my 30 employees to part-time. As a result of their inability to put food on the table, many employees quit, found second jobs, or sent me SNAP benefit applications to fill. I had to hire extra workers to make up for the reduced hours. I hired all new employees on a part-time basis. Soon, we averaged all worker's monthly hours. If employees averaged 30 or more hours by October or any month close to the end of the year, management ridiculously reduced their hours to average annual part-time status. If by the end of the year, they averaged 35 or more hours, they had to take a leave of absence so that they averaged part-time status hours by the end of the year. We saw the impact of this action in 2020.

In April 2020, during the COVID pandemic, according to Jonathan Maze's article "The Pandemic Has Cost Restaurants 5.9 Million Jobs" on the website Restaurant Business, it was estimated that the industry lost 5.5 million jobs and half a million employees. The U.S. Department of Labor website states that The CARES Act, which went into effect in March 2020, made many of these employees eligible for an extra \$600 per week in unemployment benefits and they quit. On May 17, 2021, The State of Texas Governor website informed that on June 26, 2021, Texas Gov. Greg Abbott would opt out of any additional unemployment compensation to compel people to return to work. Still, nothing changed in the restaurant industry. Postpandemic, more restaurants have "Now Hiring" signs on their properties and social media pages. Many of these restaurants require zero experience in any position, including management, and they hire on the spot.

According to the CNBC website article "Restaurants are short-staffed, and that's taking a big toll on customers and workers alike" by Amalia Lucas, the restaurant industry is still down 750,000 jobs, and workers continue to quit. Why are people still leaving? Stephanie Weaver said on her Fox 5 New York's website article "Restaurant, hospitality workers quit at

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record rates amid COVID-19 pandemic" that it is due to low pay, rude customers, long hours and no benefits. Perhaps.

Restaurants in Texas have increased their hourly wages but have also increased their menu prices. On September 28, 2022, Greg Doring from Local Today Texas news reported in his online article "Kansas Farm Bureau Insight: History of the hedge" that 92% of Texas restaurants raised their menu prices over the last three years. One of the primary reasons is that they have had to boost employee wages as people were no longer interested in working in this industry owing to the low earnings. According to Weaver, the restaurant industry is paying most workers \$15 per hour for the first time. This pay is about twice the minimum wage in the majority of states. Still, the pay increase is not attracting new employees.

The COVID pandemic layoffs allowed restaurant workers to consider what was most important to them: their families and future. Rebecca Safier wrote on LendingTree's website that Student Loan Hero reported that 54% of those laid off due to the pandemic have considered returning to school, 31% are returning to boost their income and 40% are under 40. Restaurant workers, or may I say, "ex-workers," are finally 'woke.'

Unless one has worked in the restaurant industry for years, society will not understand or care and overlook the oppressive practices, abuse and everyday discrimination employees undergo, all for profit. Sadly, it may take years or even decades for some workers to understand that they have spent the better part of their lives working for an industry that sees them as inferior.

Perhaps, one day, the restaurant industry will consider the welfare of its employees. But the financial burden will fall on the customers. A fair balance cannot exist. The rich always win.

There is hope because some restaurants now offer sign-on bonuses and other benefits such as tuition assistance.

My experiences are not universal and I am not arguing that all restaurant companies practice slavery or that employees should resign. Nevertheless, history and current events show that discrimination continues in this industry, manifesting as tipping, racism, humiliation and low wages without benefits. I respect that enslaved people fought against their owners or captors and that unhappy and oppressed employees retaliated against their employers. Restaurant owners must remember that a happy employee is productive and honest.

Today, slavery is not about human ownership. It's about fear and control. The most important requirement for restaurant owners is a slaveowner mentality.

It is pointless for current workers to move from one restaurant to another in search of a job that genuinely cares for its staff. From my experience, it is like jumping from one cesspool to another.