FACT SHEET

A Civil Rights Issue

SEXUAL HARASSMENT & THE TIPPED MINIMUM WAGE

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exual harassment affects the entire low-wage workforce from restaurants and hotels to factories and private homes. However, people working for tips, such as restaurant wait staff, experience particularly high rates of sexual harassment. This disparity is in part due to power imbalances intensified by the practice of tipping and workers' financial reliance on those tips. These factors help normalize inappropriate behavior (e.g. women feeling compelled to tolerate inappropriate comments or sexual behaviors) and disproportionately affect the most marginalized working people due to their financial status, racial identity, and immigration status. Eliminating the separate federal tipped minimum wage (\$2.12 per hour since 1993) as well as state tipped minimum wage laws would help ensure that all working people are paid a fair wage, and reduce the sexual harassment currently endured by tipped workers, the majority of whom are women.

TIPPED MINIMUM WAGE LEADS TO MORE SEXUAL HARASSMENT & DISEMPOWERS WORKERS

The accommodation and food services industry, which includes restaurants, hotels, and similar businesses, employs the largest percentage of people working for tips, and not coincidentally is also the single largest source of sexual harassment claims in the country. Tipped restaurant servers' dependence on tips for a substantial portion of their income, and on management for well-paying shifts, exacerbates the power imbalance between working people and employers that makes many tipped workers (especially women) particularly vulnerable to sexual harassment. Some tipped workers say that they are required to tolerate inappropriate behavior that makes them nervous or uncomfortable in order to earn sufficient wages and tips.

The sexualized environment facing many restaurant workers impacts the workplace relationships needed for them to do their jobs and receive the tips necessary for a livable income. Restaurant workers, the majority of whom are women, report high levels of harassing





<u>behaviors</u> from restaurant management (66 percent), co-workers (80 percent), and customers (78 percent).

The financial insecurity that comes from depending on tips and the fear of retaliation from employers make tipped workers easier targets for abuse from both customers and employers. These factors make it less likely that tipped workers who face sexual harassment or sex discrimination at their workplace will bring complaints to the attention of their employers or regulators in fear of retaliation.

WOMEN OF COLOR IN THE TIPPED WORKFORCE ARE DISPROPORTIONALLY AFFECTED BY SEXUAL HARASSMENT

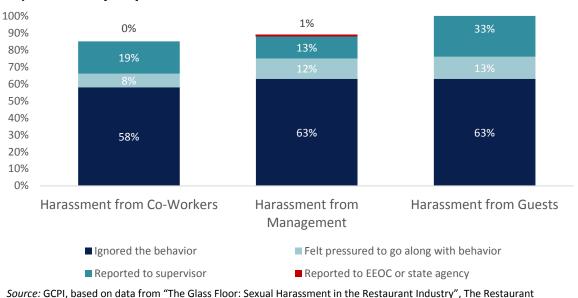
Sexual harassment in the workplace impacts all employees at all income levels, but the prevalence and consequences of sexual harassment disproportionately affect women in tipped professions. Women comprise about two-thirds of workers making \$10.10 an hour or less, and within that group nearly half are women of color. The overrepresentation of women of color in the tipped workforce has contributed to women of color being disproportionately affected by sexual harassment. For example, between 2012 and 2016, despite Black

and food services industry, they filed <u>31.4%</u> of sexual harassment charges to the EEOC.

ELIMINATING THE SUBMINIMUM WAGE FOR TIPPED WORKERS WOULD REDUCE SEXUAL HARASSMENT

Workers whose earnings are dependent on tips often feel that they might experience harmful consequences, including job termination, if they try to report sexual harassment from management, coworkers, or customers. Women who rely on customers' tips for the bulk of their pay are twice as likely to be harassed as women who work in states in which the tipped subminimum wage has been abolished. Enacting one fair wage, ensuring that all workers are paid the same minimum wage by their employer, would help create a safer and more equitable workplace by reducing working people's reliance on tips to make ends meet.

Figure 1. Tipped Women Restaurant Workers Experience Sexual Harassment at High Rates, but Rarely Report It



Source: GCPI, based on data from "The Glass Floor: Sexual Harassment in the Restaurant Industry", The Restauran Opportunities Centers United and Forward Together, 2014.

women making up only 13.6% of the accommodation

This document builds upon <u>Bare Minimum: Why We Need to Raise Wages for America's Lowest-Paid Families</u> by Elisa Minoff, published by The Leadership Conference Education Fund and Georgetown Center on Poverty and Inequality (GCPI), April 2018.

