

Low Pay, Less Predictability: Fast Food Jobs in California

In January 2022, the California State Assembly voted in support of a first-of-its-kind labor bill, known as the Fast Food Accountability and Standards Recovery Act ([FAST Recovery Act](#)). [The FAST Act establishes](#) an independent council to set industry-wide labor standards on wages, hours, schedules, and other working conditions relating to health and safety for Fast Food workers in the state. The bill also makes businesses jointly liable for any labor violations among their franchisees. The standards set by this council would have widespread impacts, affecting around [half-a-million](#) workers in the state.

To compare how working conditions and wages in Fast Food stack up against other service sector industries in California, the Shift Project harnesses recent survey data from 2,034 California service sector workers surveyed by the Shift Project between the spring of 2021 and spring of 2022. Fast Food firms are defined as order-at-counter restaurants where food is served in carry-out packaging: places like McDonald’s, Taco Bell, Chick-fil-A, and Domino’s Pizza. The “other service sector” comparison group includes large national grocery, general merchandise, department stores, retail, clothing, pharmacy, hardware, electronics, and casual dining establishments.

The Shift Project has collected survey data from workers employed at large chain retailers and food-service establishments since 2016.¹ We ask respondents about their working conditions, household economic security, health, and wellbeing, targeting employees at large national firms. Our data permit an unprecedented view of labor conditions in the service sector at the state-level and provide insight into the work and family lives of low-wage workers.

Inadequate Wages

The [minimum wage](#) for hourly workers in California has surpassed both the national minimum wage and the minimum wage standards of many other states. As of 2022, the minimum wage (for employers with over 25 employees) is \$15/hour in California. While all service workers benefit from this standard, Fast Food workers continue to earn significantly less than their counterparts in the state. The average hourly wage reported by California Fast Food workers hovers just above the minimum wage at \$16.21/hour. Comparatively, the average wage for non-Fast Food service sector workers in California is \$19.15/hour, nearly \$3/hour more than Fast Food wages (Table 1). This wage gap is substantial. Fast Food workers earn 85 cents on the dollar compared with their counterparts in other service sector jobs and would have to work 6 extra hours each week just to reach parity with the average earnings of other service

Table 1. Average Hourly Wage and Weekly Hours for Fast Food vs. Other Service Sector

Average Hourly Wage	
Fast Food	\$16.21/hour
Other Service Sector	\$19.15/hour
Average Weekly Hours	
Fast Food	36
Other Service Sector	35
Estimated Annual Earnings	
Fast Food	\$31,050
Other Service Sector	\$36,982

sector workers. This \$3 per hour Fast Food wage deficit represents 40% of the Federal Minimum Wage and 100% of the increase in the California Minimum Wage from its 2019 level of \$12.00 an hour to its current level of \$15.00

The Fast Food wage deficit also adds up to a striking income gap. These hourly wages translate to an estimated annual income of \$31,050 for Fast Food and \$36,982 for other service sector workers – incomes that are far below a living wage.² While different regions of the state may differ in cost of living, the [overall living wage](#) for California is estimated at \$21.82/hour which translates to \$45,386 per year for a single adult. California Fast Food workers are making only two-thirds of what a single adult with no children needs in a year to meet their basic needs. Even if wages were raised to this living wage standard, the living wage assumes 40 hours of work per week and 52 weeks of work per year. However, Fast Food workers are often not working a full-time schedule, often involuntarily.

Insufficient Hours

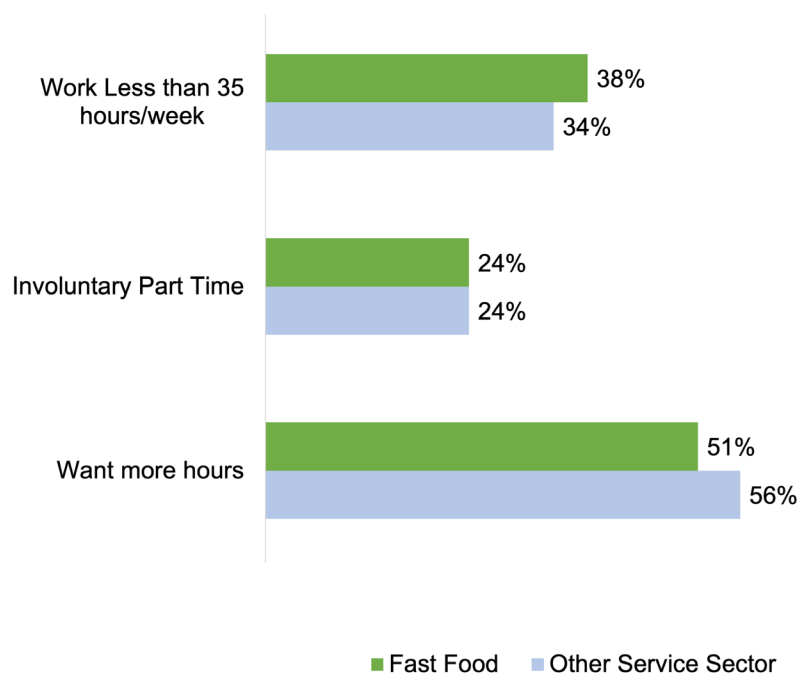
California’s minimum wage standard increases stability for service workers, but this protection only goes so far on a part-time schedule. Thirty-

eight percent of Fast Food workers in California report working less than 35 hours per week (Fig. 1). Although some workers may prefer a part-time work schedule, many workers we surveyed are not satisfied with the number of hours they receive. Overall, 51% of Fast Food workers report that they would like to work more (Fig. 1). Among workers who get less than 35 hours per week, almost two-thirds would like more hours at their job (not shown). Consequently, one quarter of California Fast Food workers can be characterized as “involuntary part-time” workers—that is, people who work fewer than 35 hours per week at their primary job and would like more hours at that job (Fig. 1).

Unstable and Unpredictable Schedules

In addition to low wages and part-time scheduling that limit total earnings available to workers, California Fast Food workers also experience a great deal of instability and unpredictability in their work schedules. On all dimensions of work scheduling, Fast Food workers experience far more unpredictability than other service workers (Fig 2).

Figure 1. Work Hours for Fast Food vs. Other Service Sector Workers



We find that **75% of Fast Food workers receive less than two weeks advance notice of their work schedules**, a far greater share than the 51% of other service sector workers that receive less than 2 weeks advance notice.

On top of receiving short notice of their schedules, **nearly one quarter of California Fast Food workers report having at least one shift cancelled in the past month**. This is far in excess of shift cancellations for other service sector workers (13%). Workers plan their lives and finances around their expected work hours. Volatile shifts that are changed or cancelled, disrupt routines and can lead to financial insecurity.

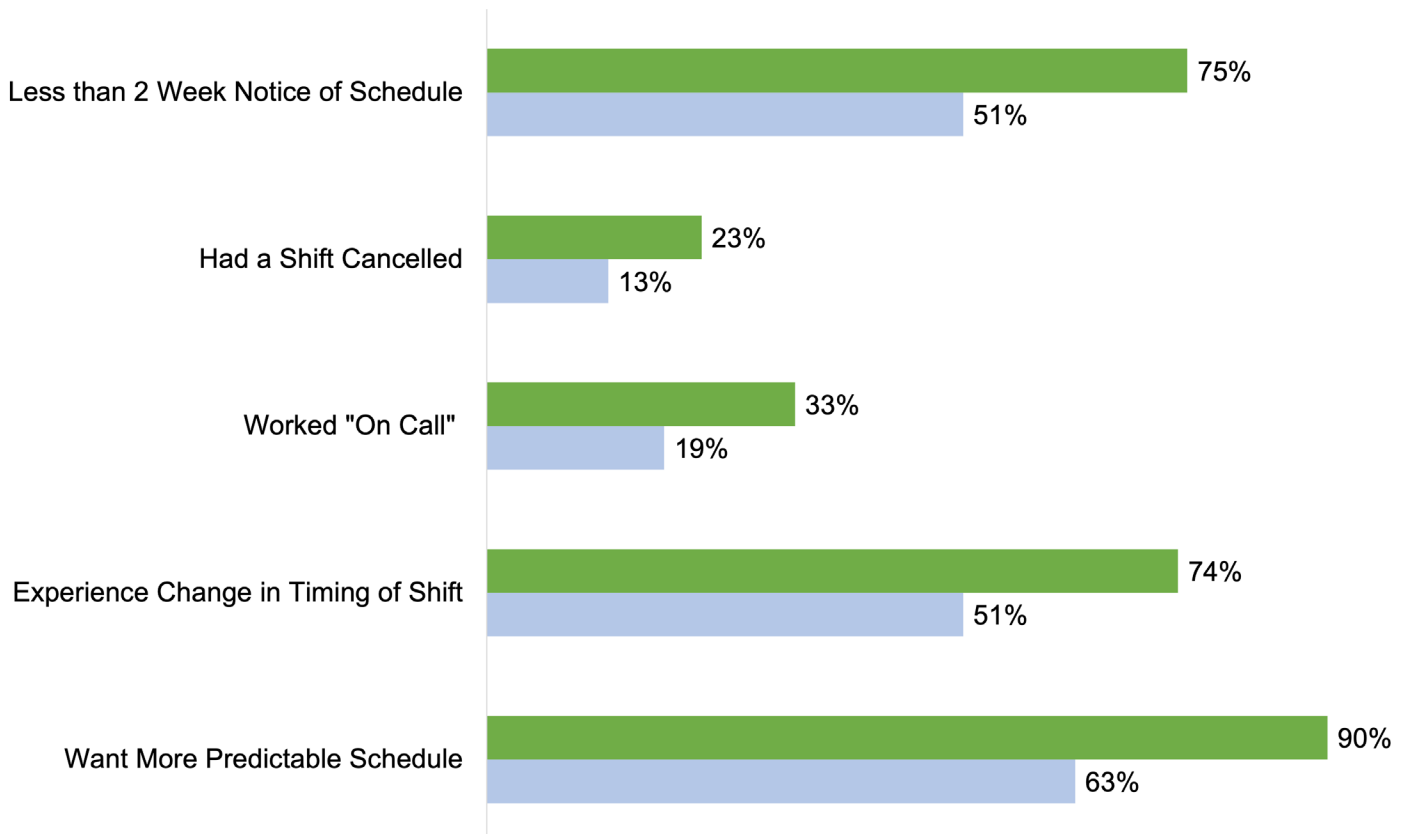
One third of Fast Food workers report working at least one “on call” work shift in the prior month, meaning that they kept their schedule open and available for work but may or may not actually have been called in to work the shift. Comparatively, only 19% other service sector workers experienced an “on-call” shift.

Nearly three in four Fast Food workers experience a last-minute change in the timing or duration of their shift, a substantially greater share compared with other service sector workers (51%).

When asked directly, workers report dissatisfaction with this unpredictability. The vast majority (90%) of California Fast Food workers report that they want more predictability in their work schedule and hours, compared with 63% of other service sector workers.

In addition to the comparisons included in this brief, we also compared Fast Food workers with the two other largest industries in the service sector: general merchandise and grocery. Across the board, we observe that the Fast Food sector stands out in terms of low wages and unpredictable work schedules compared to grocery, general merchandise, and the remaining compiled sectors.

Figure 2. Work Schedule Conditions for Fast Food vs. Other Service Sector Workers



Conclusion

Low wages, insufficient hours, and schedule instability are the reality of work for food and retail service sector workers in California. Compared with other service sector workers, California Fast Food workers stand out with the lowest hourly wages and the least predictable work schedules. These low wages leave Fast Food workers far below the minimum living wage to meet basic needs for a single adult. Inadequate earnings for these workers are all the more severe considering that a sizeable share of these workers are also supporting families on their low wages. Compounding this economic disadvantage, Fast Food workers are far more likely than their service-sector counterparts to have schedules be assigned with short notice and to experience shift cancellations, on-call work, and timing changes. The large private-sector and highly profitable firms that employ these workers have failed to provide jobs that offer more than poverty-level wages and hours and unstable schedules that undermine the rhythms of family life. Legislation that sets labor standards and builds worker power provides a pathway to stability for these workers and their families.

Endnotes

1. Further details about our data collection and methodology are presented in an Appendix at the end of this brief.
2. Annual earnings are estimated by multiplying hourly wages by average weekly hours, then multiplying by 52 weeks of work per year.

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Support

The authors gratefully acknowledge the excellent assistance of Connor Williams and Elaine Zundl in the preparation of this report.

Support for data collection was provided by the Bill & Melinda Gates Foundation (Award No. INV-002665). The views expressed here do not necessarily reflect the views of the Foundation.

Additional support for data collection and this brief was provided in part by the Robert Wood Johnson Foundation (Award No. 45264). Research reported in this publication was also supported by National Institutes of Aging (R01AG066898). The content is solely the responsibility of the authors and does not necessarily represent the official views of the National Institutes of Aging. We also gratefully acknowledge support from the W.T. Grant Foundation and the Washington Center for Equitable Growth.

Methodological Appendix

The Shift Project collected survey data from over 150,000 service sector workers employed at large retail and food establishments across the country between March 2017 and Spring 2022. This brief focused on a subsample of 2,034 service sector workers in the state of California who completed Shift surveys in 2021 and 2022.

The Shift Project recruits survey respondents using online Facebook advertisements, targeted to workers employed at large retail and food service employers. Those who responded to the Shift survey invitation were automatically routed to a survey landing page where they were asked to consent to participate in the study, then began the online self-administered survey using the Qualtrics platform. As an incentive, those who completed the survey and provided contact information were entered into a lottery for an Apple iPad or a \$500 gift card. The survey included modules on job characteristics, work schedules, demographics, economic stability, health, parenting, and child outcomes. To screen out invalid survey responses, we used an attention filter (a question that instructed respondents to select a particular response category to verify the accuracy of their responses) as well as a speed filter (discarding data for surveys that were completed too hastily).

In the descriptive results we present in this brief, we have applied survey weights to ensure that our sample accurately reflects the distribution of employment types among large retail and food service employers in California. To construct these weights, we use data from the Reference USA database of U.S. establishments. The RefUSA database contains a detailed listing of all retail and food establishments nationally and allows us to pinpoint establishments within California. RefUSA contains the size of the workforce for each establishment, which we aggregate up to the employer level. Then, using the aggregated RefUSA employer counts for California, we weight our Shift survey sample to match the distribution of employers. In this way, no one employer has undue influence on the reported results. All of the descriptive results we present in this report apply these RefUSA employer weights.

For a detailed discussion of The Shift Project data collection, methodology, and data validation, see Schneider, D. and Harknett, K. 2019. “What’s to Like? Facebook as a Tool for Survey Data Collection.” *Sociological Methods & Research*. <https://doi.org/10.1177/0049124119882477>