

To: NYS Wage Board  
From: Eric Byrd, Pizza Delivery Driver, Newfield, NY  
Re: Testimony Regarding Issue of 'Tipped Workers' in Service Industries  
Date: October 3, 2014

Good afternoon. My name is Eric, and I deliver pizza in Ithaca. I'm married, no kids, and until the recession, my wife had a large number of domestic clients, but one by one they started dropping her, and now, I'm the only one in my family with a job, and we're barely afloat.

There was a time when a person could live on the minimum wage, but 30 years of Reaganomics have kept that wage stagnant, while living costs have risen without end, and the financial health of the already-wealthy has improved without end, regardless of the disasters that have hit everyone EXCEPT the wealthy.

Now my wage is \$6 an hour... and I can't pay my bills without the tips I make, and I'm pretty annoyed about that.

And the nature of the tipping game has changed. It used to be, that a server got a tip only if they provided remarkable service, and it was always said that tipping is optional, and that practice made sense, because it naturally rewards servers who give their all. And it was not devastating, when a server looked after a customer who "didn't believe in tipping", because the wage alone was LIVABLE. Now, the wage is NOT livable... but the custom has not changed. There are still people who don't care about a server being able to live on \$5 an hour, who are self-centered and mean-spirited and ignorant, and who still hold to the notion that they are "not obligated" to feel concern for the server's well-being. To the casual observer, the hypocrisy of this attitude is evident: the customer is spending money on the luxury of having a personal servant to attend to their wishes, but would not DREAM of doing the same job themselves, for that kind of slave wage.

I'm here to tell you what the consequences are, of this kind of unfairness being written in stone on an institutional level.

EVERY experience I've EVER had with an industry executive has profoundly impressed upon me, that they care about one thing only: getting good numbers and impressing their bosses, so they can get promoted. And for them, that makes sense, because they HAVE INCENTIVES. But they are just like the hypocrites that "don't believe in tipping": they love having incentives, and they don't care whether I HAVE incentives. The proof is lies in the simple fact that my wage has not gone up since I first started doing this job in 2005. And this fact proves one more thing as well: if we let the industry "self-regulate", the way conservatives love to say will bring prosperity to us all, then it will be ANOTHER 9 years before I'll see any kind of wage increase.

This is why I have such a bad attitude about the industry, and about my job, and this is why I'm here advocating for legislation that will change that. I'm here to give you a dose of reality about my attitude, and the ramifications to the goals of restaurant owners nationwide.

One of those goals is customer service. Different outfits have different metrics and formulations to

quantify their level of “customer satisfaction”; but the reality is, I care as little about their customer service numbers, as they do about whether I can pay my electric bill on \$6 an hour. As an aggregate group, the restaurant industry shows such disdain for the needs of its workers that it inspires this kind of hate. And I assure you: 100% of delivery drivers feel exactly as I do.

And this attitude manifests itself in some important ways on the job. When I'm on the road, I always get to the customer as quickly as I can, because the more deliveries I can take, the more tips I can collect in a night, regardless whether a specific customer tips me. And when I arrive at the customer's residence, I am always cordial and efficient, and if the customer tips me, I offer them amenities like plates and napkins. But as soon as it becomes obvious to me that the customer "doesn't believe in tipping", all conversation ceases. And almost invariably, the customer adds insult to injury by trying to engage me in meaningless mindless puerile banter. And what happens then, is that I look the customer in the eye just long enough to let them know that I heard them, and then I turn without a word and walk, leaving their pathetic attempt squirming in the dust at their feet.

You'd have to be an idiot, not to know that you've been dissed, when someone does that, and you'd have to be an idiot not to guess exactly WHY you were dissed, and on numerous occasions I've gotten back to the shop to hear that the customer complained about me. But my boss and I have already had this conversation. \*Silence\* is a form of disrespect that leaves the customer with nothing to complain about. You can imagine how that phone conversation would sound... I'm never punished for this behavior, and my boss never has to give out free food, and THE CUSTOMER IS LEFT UNSATISFIED.

I guarantee you, nearly 100% of drivers engage in similar behavior: nearly ALL of them treat customers who don't tip with as much disrespect as they dare. When a customer gets a reputation for not tipping, they always get their food LAST. I've personally SEEN servers spit in people's food. I've seen servers deliberately drop people's food on the floor, and then put it back in the box. Servers resort to EVERY CONCEIVABLE manner in which to show their disrespect to such customers, without risking the job they need to survive. This behavior is universal and pervasive, and there is NOTHING you can do to change that... UNLESS... you want to try to change the custom of tipping, and return it to the way it was, when the minimum wage was a livable one.

If you raise a server's wage to something they can live on, customers will realize that servers don't NEED to get a tip, and they will go back to tipping servers only if they do an excellent job.

The biggest downside I've heard from industry execs on this, is that raising the minimum wage for servers would cause too much of a shock to the profit margin of the business, and I agree. If the shop can't make a profit, nobody gets to keep their job. So here's my solution:

Raise the wage of your servers GRADUALLY, \$1 an hour, once every year, until that wage is \$15. And publish the news in every corner of the globe, and tell customers you're trying to PHASE OUT the custom of tipping. When servers make \$15 an hour, customers will still sometimes tip: but now they will do it the way they did it 30 years ago, when a server would only get a tip if they provided excellent service.

If this wage increase is gradual, a restaurant's bottom line would not suffer the kind of shock that would result from a SUDDEN increase. And consider this: personnel costs are about 25% of revenues, so if you

increase your personnel costs by 10%, this amounts to 2.5% against those revenues, so if you have to raise prices to compensate for the hit to your margin, the price increase is barely noticeable.

And I believe I speak for most servers, when I say that if a server is making a baseline wage they can survive on, then all these self-defensive strategies for dealing with customers who "don't believe in tipping" can be discontinued.

Thank you all for the chance to speak.

