

# Employment and Wages in the San Diego County Food System

Center on Policy Initiatives  
August 2017



The food system is a critical part of San Diego’s economy, touching the daily life of every resident of the county. The system that brings food from farms to plates is complex and collaborative, involving many aspects that consumers never see, such as production, distribution, and waste management. While the sourcing of food and the humane treatment of livestock has become a popular consumer issue, this report aims to bring attention to the people who work within these industries.

Despite the importance of food to the local economy and to the health and well-being of local residents, workers in the food system receive significantly lower wages than workers in most other sectors. This report compares the employment and wages of food system jobs to employment and wages across all industries in San Diego County. Among the main findings:

- The San Diego County food system has grown steadily for the past 15 years, with jobs in the food system occupying an increasing percentage of all jobs in the county.
- The average wage of food system workers has increased at less than half the rate of wages across all sectors.
- Most workers in the food system do not make a living wage for the high-cost region. The average annual pay in food system jobs is \$24,693 per year. For someone supporting a family of four, that is below the federal poverty level and less than half the Self-Sufficiency Standard.<sup>1</sup>
- “Food services and drinking places” is by far the largest subsector and also the lowest paid. Employment in this subsector has increased by 50% since 2001, and it currently employs 70% of the food system workforce. These workers are paid an average of only \$20,866 per year.

It is clear that while employment in San Diego’s food system has risen, the wages these workers receive are stalled at levels insufficient to live with basic human dignity. Recent increases in California and the City of San Diego’s minimum wage have raised the average pay of some food system workers, but the prevalence of wage theft undermines workers’ ability to benefit from legislative changes.<sup>2</sup> An urgent need remains to ensure a livable wage for workers in the San Diego County food system.

## Definitions, Data and Method

The report updates and expands upon a 2010 study by the UC Davis Agricultural Sustainability Institute, “Assessing the San Diego County Food System: Indicators for a More Food Secure Future (December 2010).”<sup>3</sup> The data presented here are from the Bureau of Labor Statistics’ Quarterly Census of Employment and Wages, reported by the United States Department of Labor,<sup>4</sup> from 2001 to 2016 (the most recent year available).

The wages for all years are reported in 2016 dollars. All dollar values have been adjusted for inflation, using the Bureau of Labor Statistic’s consumer price index for Urban Wage Earners and Clerical Workers.

---

<sup>1</sup> [http://depts.washington.edu/selfsuff/docs/CA2014\\_methodology.pdf](http://depts.washington.edu/selfsuff/docs/CA2014_methodology.pdf)

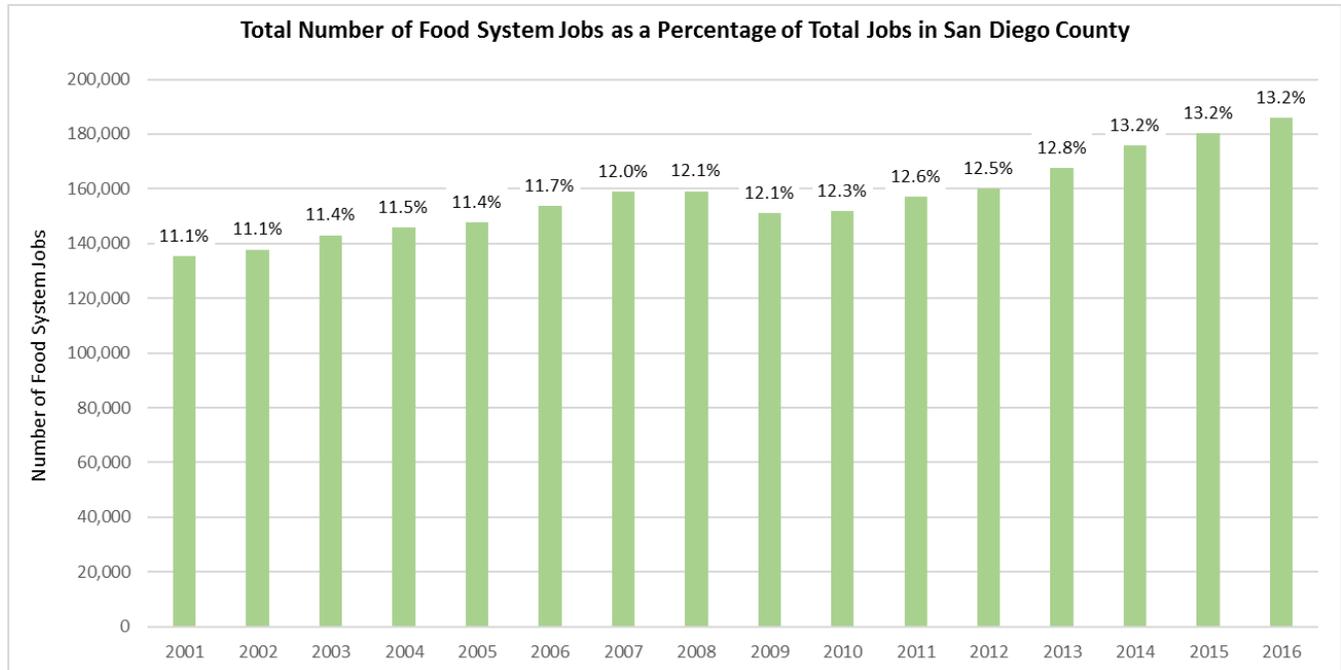
<sup>2</sup> Center on Policy Initiatives, “Confronting Wage Theft: Barriers to Claiming Unpaid Wages in San Diego” July 2017. <https://www.cpisandiego.org/wp-content/uploads/2017/06/cpiWageTheft-2.pdf>

<sup>3</sup> UC Davis, Agricultural Sustainability Institute, “Assessing the San Diego County Food System: Indicators for a more Food Secure Future” <http://asi.ucdavis.edu/programs/sarep/publications/food-and-society/sdcountyfoodshedassessment2010.pdf>

<sup>4</sup> United States Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages <https://www.bls.gov/cew/datatoc.htm>. There is no specific data category for “food system related jobs” within the North American Industry Classification System (the standard used by federal statistical agencies); food system job categories are spread throughout other data categories. This report includes food system jobs related to production, distribution and consumption.

## Employment in the San Diego County Food System

Altogether, the food system employs 185,921 individuals in San Diego County, making up 13.2% of total employment. Aside from a slight decline after the Great Recession began in 2008, employment in the food system has risen steadily over time. This industry rebounded relatively quickly from the recession compared to others, with its percentage of jobs growing throughout the recession and its employment numbers surpassing pre-recession levels by 2012. Food system jobs comprise an increasing share of employment in the county. The number of food system jobs has grown by 37.3% since 2001, at more than double the rate of all jobs in the county (which grew by 15.3% in the same time period).



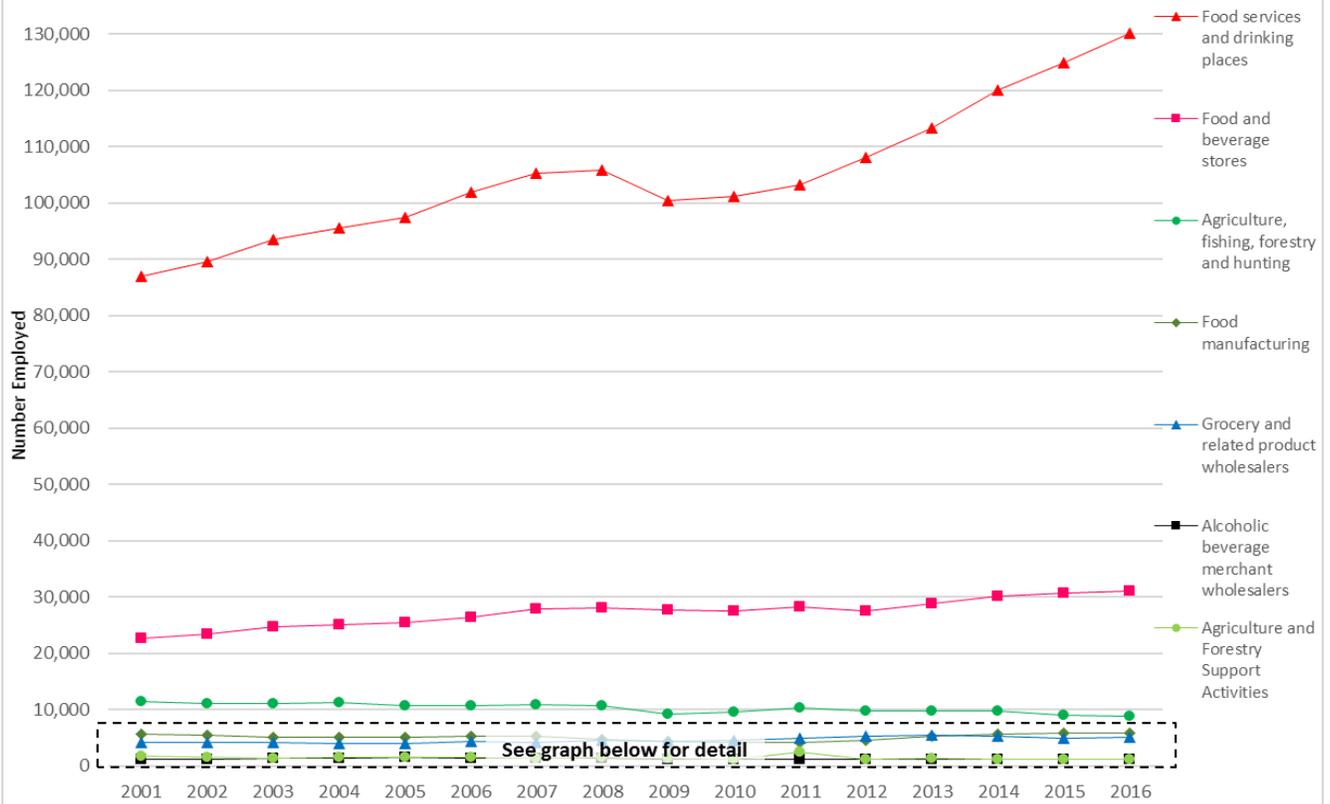
Most of the food system's employment growth has come from its largest subsector, "Food services and drinking places," which includes restaurants and bars. This subsector employs 130,092 individuals, 70% of the food system workforce, and has grown by 49.6% since 2001, making it the fastest growing part of the local food system. Restaurant employers are notorious not only for low wages, but also for denying full-time hours, underpaying for hours worked and many other forms of wage theft.<sup>5</sup> These are urgent public policy concerns, especially because of the substantial presence of restaurant employees in the local workforce.

The restaurant subsector has more than four times the employees of the next largest sub-sector ("Food and beverage stores"), and over 1,000 times the employees of the smallest subsector ("Agricultural market and commodity regulation"). "Food and beverage stores," has 31,118 employees and has grown by 37.6% since 2001, and "Agriculture, fishing, forestry and hunting" has 8,862 employees and has declined by 22.2% since 2001. The three largest subsectors together, make up more than 90% of all jobs in San Diego County's food system.

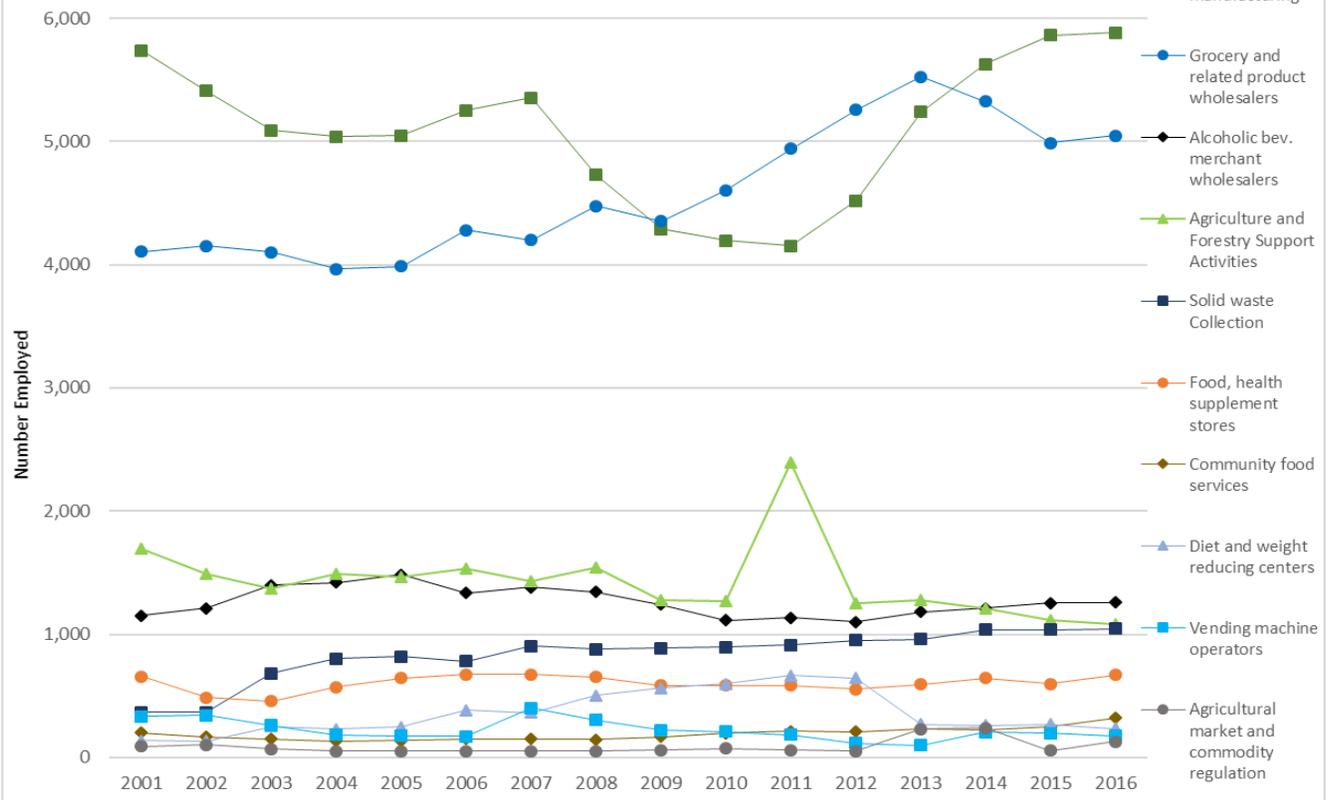
<sup>5</sup> San Diego State University Department of Sociology and the Center on Policy Initiatives, "Shorted: Wage Theft, Time Theft, and Discrimination in San Diego County Restaurant Jobs" June 2015.

[https://www.cpisandiego.org/wp-content/uploads/2017/04/cpiWageTheftReportFINALcorrected6\\_15\\_15.pdf](https://www.cpisandiego.org/wp-content/uploads/2017/04/cpiWageTheftReportFINALcorrected6_15_15.pdf)

**Employment in Food System Job Categories with > 1,000 employees**



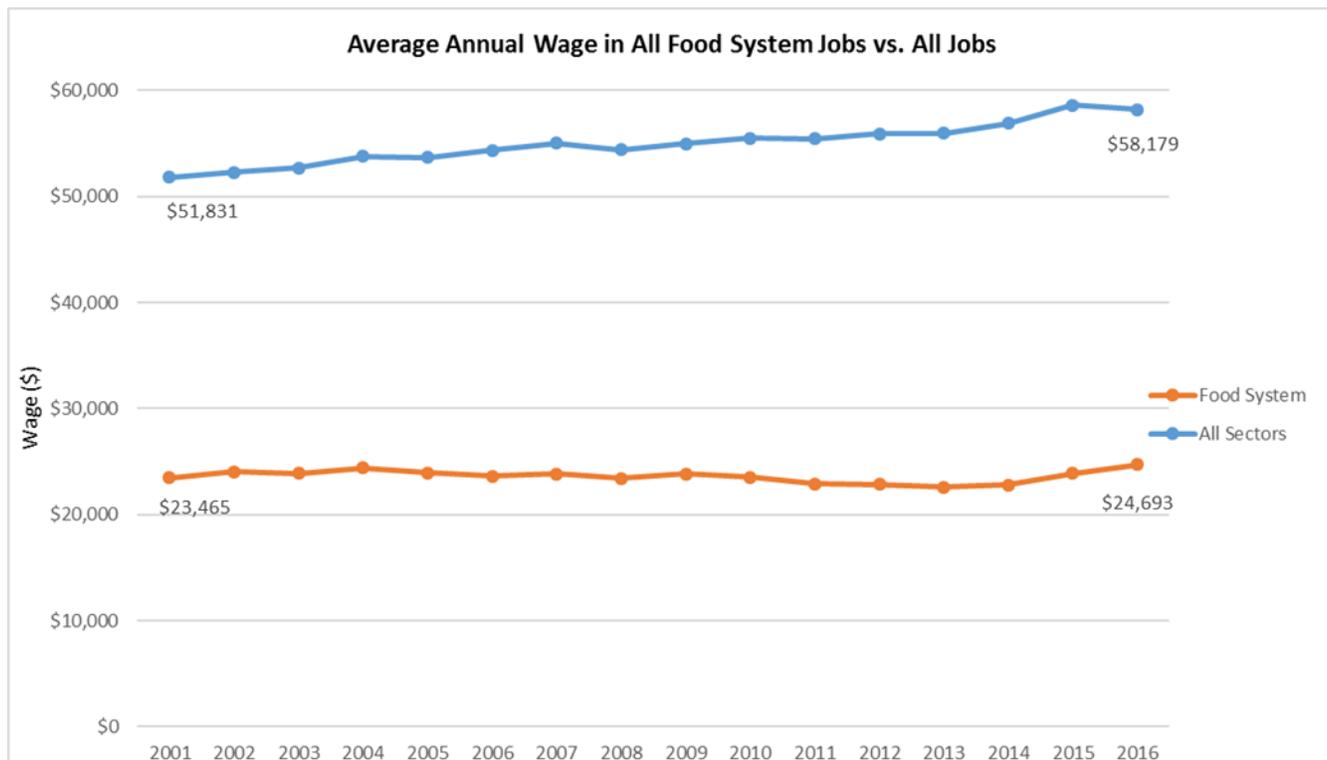
**Employment in Food System Job Categories with < 10,000 employees**



## Wages in the San Diego County Food System

The average annual wage of food system jobs in San Diego County is \$24,693 per year, less than half the average annual wage of \$58,179 across all industries. The average wage of food system workers has increased marginally, by about 5.2% over the past 15 years. In the same time period, the average wage across all industries in the region increased by 12.2%; if the food system wage had increased at the same rate, food workers would be making \$1,635 more per year. This means that the significant wage gap between the food system and other sectors is still growing.

The average wage of individuals who are working in this system does not cover the basic cost of living in the region. The average annual wage of food system workers falls below the federally designated poverty level for a family of four.<sup>6</sup> In fact, it is less than the amount needed for a single adult to survive without assistance, according to the Self-Sufficiency Standard, which is a more realistic estimation of the minimum income required for the cost of basic needs.<sup>7</sup>



While some subsectors provide middle-class wages, an overwhelming majority of food system jobs are low-paying. Although there has been a slight increase in wages over the past 15 years, the average wage of these workers remains less than half of the average wage received by most employees.

The “Food services and drinking places” subsector, with more than two-thirds of all food system jobs, has the lowest wages, at an average of \$20,866 per year. The second and third largest subsectors (“Food and beverage stores” and “Agriculture, fishing, forestry and hunting”) have average annual wages of \$27,404 and \$35,150, respectively.

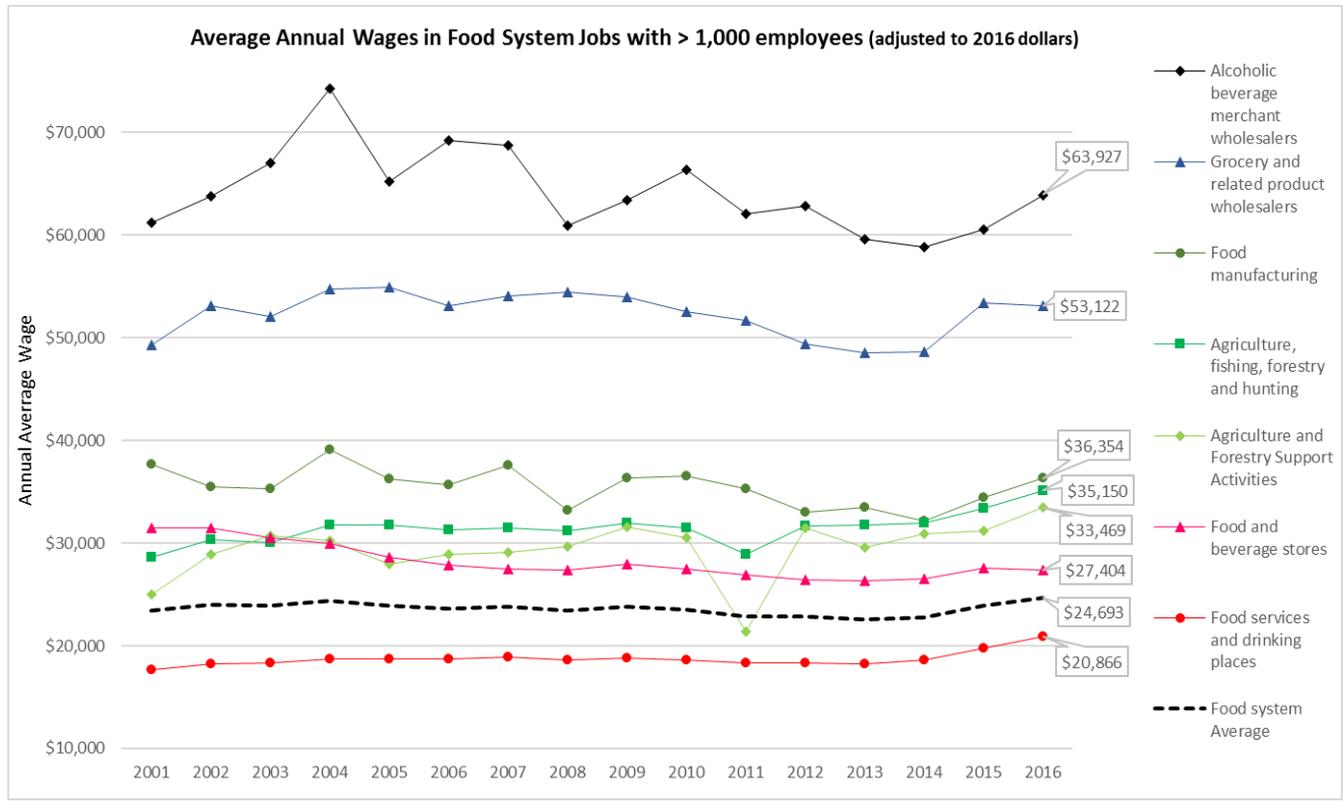
<sup>6</sup> United States Census Bureau, Poverty Thresholds

<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>

<sup>7</sup> Center for Community Economic Development, Self-Sufficiency Standard Tool for California

<https://insightcced.org/tools-metrics/self-sufficiency-standard-tool-for-california/>

The joint efforts of workers and advocacy groups have led to policy changes in recent years that have started to outlaw poverty wages. The state minimum wage increased to \$9 per hour in 2014, and to \$10 per hour in 2016. Residents of the City of San Diego overwhelmingly voted in favor of a local minimum wage above the state level, which took effect in July 2016. These changes are reflected in the slight increase after 2014 in the average annual wage of food system workers, many of whom are paid minimum wage. However a lack of local enforcement of the minimum wage<sup>8</sup> means that many workers may be paid less than the legal minimum.



## Conclusion

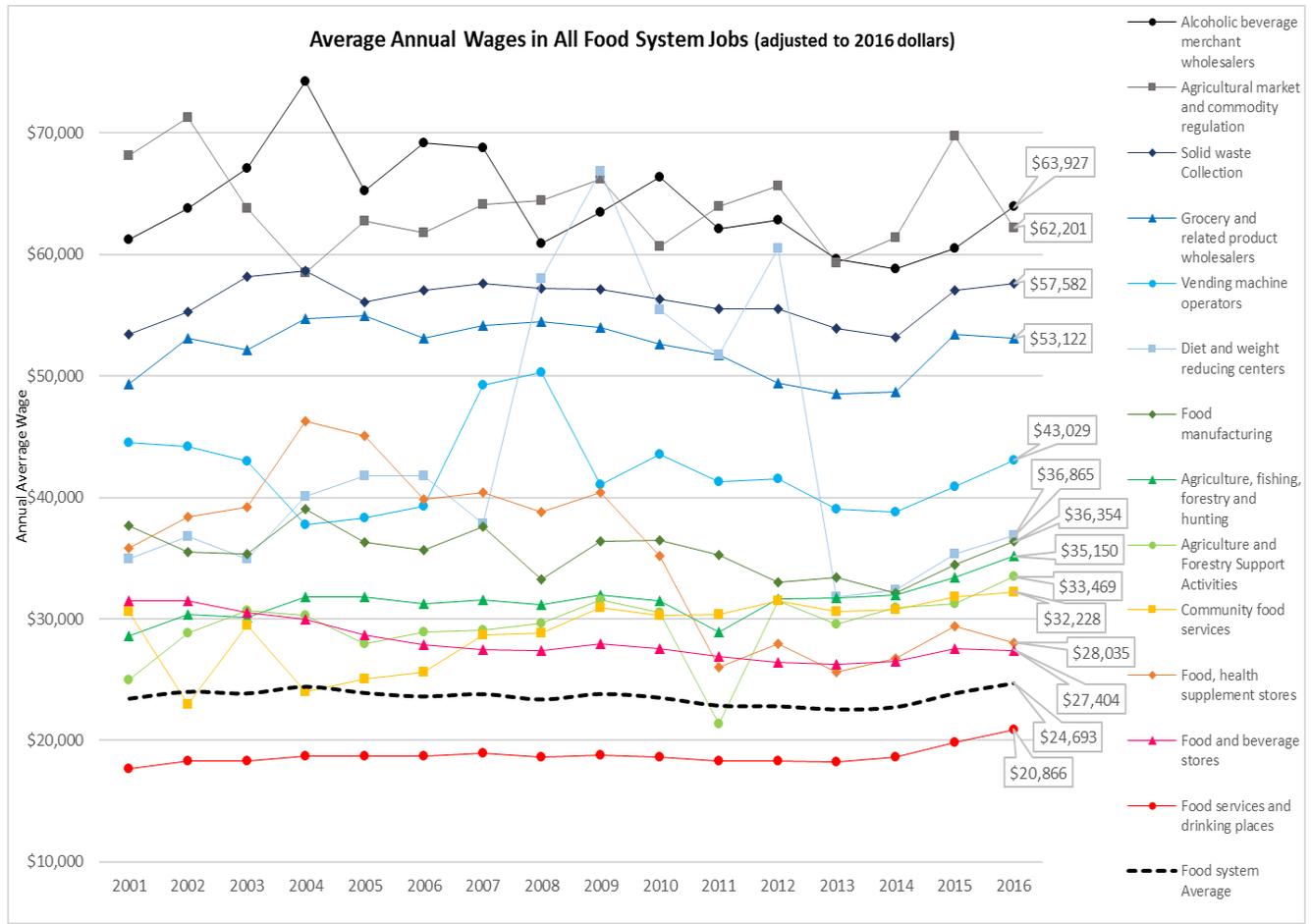
San Diego County’s food system is an important and growing component of the local economy. Workers in the food system represent an increasing proportion of all workers in the county, as employment levels in these jobs have risen at more than double the rate in all sectors for the past 15 years. Food system wages have started to rise slightly, through hard-fought public policy changes to adjust the minimum wage rate. The average wage in this massive industry remains far below the cost of living in the region, and insufficient to support and raise children.

Restaurants and other food service establishments employ more than two-thirds of all food system workers and pay, on average, only about one-third of the region’s average wage. Other food system employers are not much better, paying workers less than half the average wage across all sectors.

While San Diego County’s food system grows, too many of the people doing the hard work of producing, delivering, preparing, and serving our food, are paid poverty wages that don’t even cover basic living expenses. These workers impact the lives of everyone in the county by providing a basic human necessity, food. They deserve to earn enough to feed themselves and their families.

<sup>8</sup> See footnote 2 on page 1.

## Appendix



### 2016 Employment and Wages, San Diego County, All Food System Jobs

Job Category	Color	Avg Annual Wage	Number of Employees	% of Food System Jobs
Alcoholic beverage merchant wholesalers	Black	\$63,927	1,258	0.7%
Agricultural market and commodity regulation	Grey	\$62,201	127	0.1%
Solid waste Collection	Dark Blue	\$57,582	1,046	0.6%
Grocery and related product wholesalers	Blue	\$53,122	5,048	2.7%
Vending machine operators	Light Blue	\$43,029	176	0.1%
Diet and weight reducing centers	Light Blue	\$36,865	235	0.1%
Food manufacturing	Green	\$36,354	5,883	3.2%
Agriculture, fishing, forestry and hunting	Light Green	\$35,150	8,862	4.8%
Agriculture and Forestry Support Activities	Light Green	\$33,469	1,084	0.6%
Community food services	Yellow	\$32,228	321	0.2%
Food, health supplement stores	Orange	\$28,035	671	0.4%
Food and beverage stores	Pink	\$27,404	31,118	16.7%
Food services and drinking places	Red	\$20,866	130,092	70.0%

The Center on Policy Initiatives is a nonprofit research and advocacy organization focused on economic justice for working families in the San Diego region. Support from Leichtag Foundation made this report possible. Report author: Anjleena Kour Sahni.