

Food Service Workers at Meta Need a Raise



Introduction

In 2018, contracted food service workers at what was then Facebook (now Meta) demanded and won groundbreaking, life-changing improvements at work. Workers in New York, Seattle, and the San Francisco Bay Area won contracts that locked in total wage increase of 9-10% from the beginning of 2020 to the end of 2023 for the lowest-paid workers at these Meta cafeterias, as well as vital benefits such as affordable health insurance.

But in the aftermath of a global pandemic and skyrocketing inflation, **the improvements workers won in their standard of living have been erased or reversed.** Prices increased in those cities between 13% and 22% in the same period, according to the Bureau of Labor Statistics.¹

UNITE HERE represents over 1,000 food service workers in the cafeterias that feed Meta workers in New York, Seattle, the San Francisco Bay Area, Washington, DC, and Cambridge, MA. These food service workers are employed by Flagship and Yarzin Sella. A UNITE HERE survey collected responses from 788 workers confirmed that many of these workers experience serious economic insecurity.

- 71% of workers surveyed reported having **less than \$500 on hand in case of an emergency**
- 66% of workers surveyed reported that they **had been late on rent**
- **Nearly 100 had stayed in an abusive living situation because they did not have the money to leave**

Meanwhile, Meta's stock price has surged 170% in the last five years,² and the company reported \$46.7 billion in income from operations in 2023.³ The Fortune 500 ranked the company as the world's 6th largest tech company by revenue.⁴ **Why are employees who work for the company's contractors struggling to make ends meet?**

Meta has made a commitment to gender equality, stating a goal of 50% of its workforce will be women by 2024.⁵ However, amongst contracted food service workers, women are underrepresented generally, and especially in the highest-paid kitchen jobs, leading to a gender pay gap.

This report will demonstrate what that reality looks like for contracted food service workers at Meta. Food service workers deserve better. **Tech food service workers at Meta need a raise.**

Who are the food service workers at Meta? Who employs them?

Between June and July 2023, we surveyed 788 of 1,090, or 72%, of these union food service workers. Both the workers surveyed and the lists of workers provided by the food service contractors depict a workforce that is almost entirely people of color, and majority men. (See Methodology section.)

These workers report being **economically precarious in multiple ways**: More than two thirds of workers who responded said that they have \$500 or less to use in an emergency. More than a third said that they have worked a second job in the past year to pay their bills.

42% worked a second job in the past year.



49% paid a late fee because they couldn't pay on time in the past year.



33% skipped meals in the past year



“I’m drowning in debt right now and I’m looking for a lifeline. My partner and I both have second jobs and I’ve also been doing overtime to try to get from the red to the black. If I had a raise, I could get myself out of debt.”

—BRITNEY JOHNSON, Flagship at Meta Seattle,
UNITE HERE Local 8



“It’s been hard to pay bills. I shouldn’t be living from check to check. For my groceries and other basic necessities, I’m choosing each week what I can afford.”

—**JOSEPH CORREA**, Flagship at Meta New York,
UNITE HERE Local 100

Surging profits and soaring valuation: Meta commands immense resources

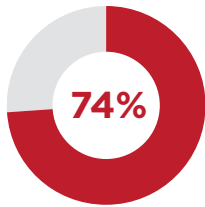
Coming out of the COVID-19 pandemic, Meta’s financial picture is bright:

- Meta’s stock price has **increased 170%** over the last five years. Meta’s stock was valued **over \$1 trillion** as of 1/26/24.⁶
- The company reported **\$46.7 billion in income from operations in 2023**, up from \$28.9 billion in 2022.⁷
- Meta has rewarded shareholders with **\$20 billion in stock buy-backs** last year, and the announcement of its first-ever dividend in January.⁸
- The company predicts it will spend \$30 to \$37 billion on capital expenditures in 2024,⁹ primarily for servers and data centers.¹⁰

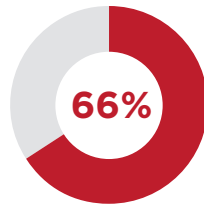
The inflation-reduced value of wages has made many aspects of life harder for cafeteria workers at Meta

Of all the issues faced by Flagship and Yarzin Sella food service workers at Meta, the cost of housing is by far the most challenging. 3 out of 4 survey respondents said they lacked money to cover housing costs in the past year. It’s no surprise as Meta offices are located in some of the most expensive urban areas in the United States - the San Francisco Bay Area, New York City, Seattle, Washington, DC, and Cambridge, MA. Service workers’ housing costs are also impacted by the presence of technology companies: a study of data from the Census and Zillow has shown that rental prices and home values have skyrocketed in areas across the country that are experiencing a tech boom.¹¹

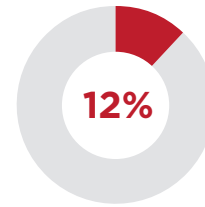
In the last year



74% lacked the money to cover Rent/Mortgage/ Other housing costs for them or their household.



66% were late on paying rent due to lacking the money.



12% stayed in an abusive living situation because they did not have the money to move.

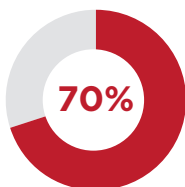
In these metro areas, a fair market rent¹² for a 2 bedroom unit costs a majority (between 57% and 76%) of the average monthly wage for a Meta food service contractor, assuming a worker gets full time work every week.



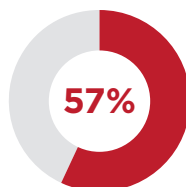
“My boyfriend and I live in a 2-bedroom apartment with another couple. We’re in one bedroom, they’re in the other one. I don’t want to live with roommates like this—I want my own privacy, my own space. But these days it’s hard to afford a place, especially in the area I’ve been living in. Where I lived before, the rent and utilities had gone up.”

—OLENA DIBROVA, Flagship at Meta, UNITE HERE Local 19

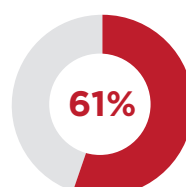
Proportion of average monthly wages needed to cover fair market rent by county



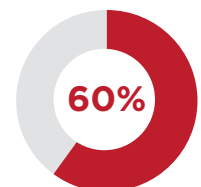
Santa Clara County



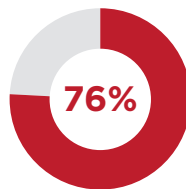
Alameda County



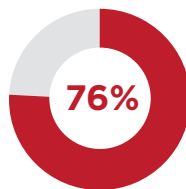
King County (Seattle)



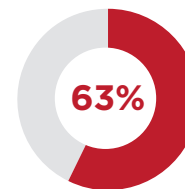
New York County



San Mateo County



San Francisco County



Boston-Cambridge-Quincy



“I live in Mountain View with my son, my brother, and my sister. I would like it if I could live on my own but I can’t afford that. With rent, car insurance, electricity, and the money I give my mom, I’m left with change at the end of the month. I already used a lot of my savings just to feed my family. I was saving to go see my brother in Mexico. That was a heartache. Everything I do is for my family.”

—**CESAR PEREZ**, Flagship at Meta Mountain View, UNITE HERE Local 19

The cost-of-living crisis doesn’t end with housing. Survey respondents reported an inability to afford basic necessities, including food for themselves and their families.



One in two said they lacked money to cover food.



One in three said they skipped meals because of a lack of money



“I’m not able to buy the same amount at the grocery store as I used to. I stretch my money and stretch my meals. I have a 10-year-old and a 16-year-old, those are expensive appetites.”

—**TEISHA STALLINGS**, Yarzin Sella at Meta DC, UNITE HERE Local 23

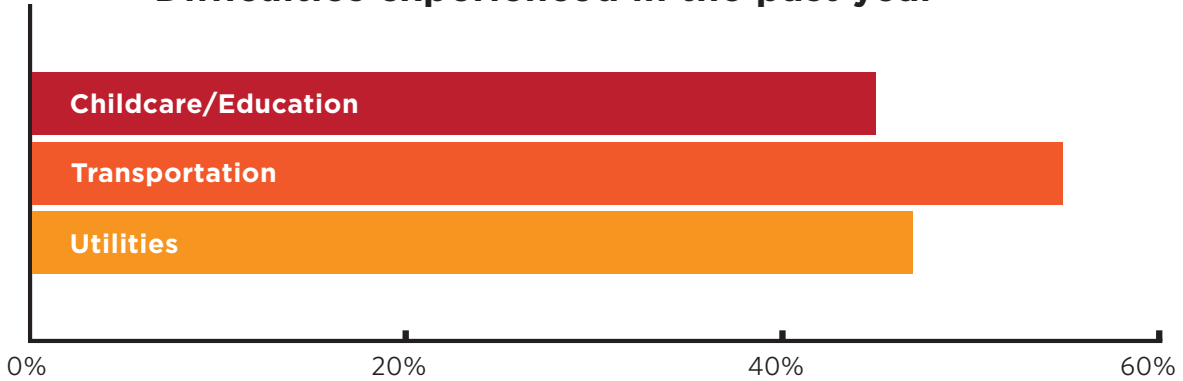


“My rent has tripled. By the time I finish paying bills, I don’t have any money left. We have so many other essential needs I can’t always make happen: shoes, laundry money, detergent for the laundry. Haircuts are hard, I have to think about who is going to get new shampoo this month. And to be honest, there have been nights when I’ve gone without eating because whatever I have is to feed my son. Right now, everything has to be calculated to the penny.”

—**KELLY SANCHEZ**, Flagship at Meta New York, UNITE HERE Local 100

Childcare and other costs prove difficult to meet on Meta cafeteria workers' wages.

Difficulties experienced in the past year



“When I was transferred from San Francisco to the commissary in Newark, the drive was 50 miles roundtrip, much farther than I was traveling before. It was a real financial burden and took a big chunk out of my savings. Going in to my savings like that made me feel helpless. I wanted to keep my job so I had no choice.

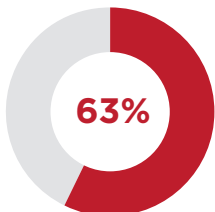
“My daughter is almost a year and a half. We’re currently living with my in-laws and trying to save up money for our own place. We’re starting to look into childcare and it’s very daunting how expensive that is given what my husband and I are making now.”

—**JORDAN HILL**, Flagship at Meta San Francisco, UNITE HERE Local 2

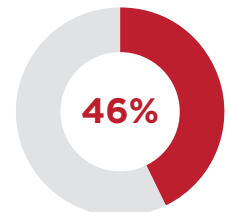


“Last December, my wife and I were able to buy a small house in Malden. With food and utility costs on the rise, we need a substantial raise to keep moving ahead in our lives, instead of going backwards. A new contract with significant raises would mean we can make improvements to our home.”

—**JORGE AGUILAR**, Yarzin Sella at Meta Cambridge, UNITE HERE Local 26



Women cafeteria workers are significantly more likely to report having children at home to take care of — 63% compared to 46% of male workers.



Despite Meta’s stance on gender equity, women are underrepresented in best-paid food service jobs at three Meta cafeterias

In 2022, Nicola Mendelsohn, Meta’s VP Global Business Group, told *Entrepreneur*, “At Meta, it’s our goal that 50% of our workforce will be women by 2024.” She went on to say, “We have a saying at Meta that ‘nothing is anyone else’s problem.’ To make progress towards gender equality and closing the gap, everyone — including men — needs to be part of the solution.”¹³

Is Meta committed to its food service contractors being ‘part of the solution’?

In three Meta locations where food service employers provided detailed data (San Jose, San Francisco, and New York), women are concentrated in lower-paid, less-skilled front-of-house positions. While women are only 41% of all the workers at these Meta cafeterias, they make up 65% of all front-of-house positions. Front-of-house jobs at Meta cafeterias have lower average rates of pay and get fewer hours of work.

	Back of House	Front of House	% of Gender who are Front of House	Grand Total
Women	256	103	28.7%	359
Men	455	55	10.8%	510
Grand Total*	715	159	18.2%	874

This pattern continues into the kitchen, where women are concentrated in the less-paid role of prep cook compared to the higher-skilled line cooks:

	Line Cooks	Prep Cooks	Grand Total Cooks
Women	76 (29%)	110 (53%)	186 (40%)
Men	188 (71%)	95 (46%)	283 (60%)
Grand Total*	264	206	470

Overall, women working in food service jobs in these three Meta locations are paid an average of \$48,965 to men’s \$51,734 - a gap of over \$2,700 a year, or more than 5%.

In 2022, Meta itself reported that in 37.1% of its overall direct employees were women.¹⁴

*Grand totals include workers whose gender was not declared.

To achieve an equal number of male and female line cooks at these three Meta locations, 112 women would need to be trained, promoted, or hired. If across the three cafeterias just half that number - 56 - were trained and promoted to line cook, and made the average annual pay for a line cook, women workers in the three Meta cafeterias would collectively make \$376,505.40 more per year, and the pay gap between men and women in average annual wages would drop by about \$1,000.

Conclusion

Food service workers at Meta are struggling: the wage gains they won in 2018 were largely wiped out by record inflation. Survey responses show workers are struggling to afford basic expenses like food and rent.

In the same cities, other workers who do similar jobs at tech competitors like Google have fought for and won higher wages and benefits that put them on a more secure economic footing in the aftermath of inflation. **Compass, Guckenheimer, and Sodexo workers at Google recently won new union contracts that will give them at least \$7/hour in raises, among other improvements to their benefits.** “I voted YES because we were able to keep our benefits,” said Eugene Ford, a Sodexo Google Café Attendant in Atlanta. “My wife unexpectedly got sick and had to stay in the hospital. The charges racked up. But with our insurance plan her fees were covered 100%. The pay increase will allow me to get a new car and save extra funds for my children’s tuition.”

Now, Flagship and Yarzin Sella food service workers at Meta are in contract bargaining with their employers. They will not be left behind: workers need to see the same economic gains that other food service workers in tech have won.

Methodology & Endnotes

We ran this survey of Flagship and Yarzin Sella food service workers at Meta between June 16, 2023 and Sept 9, 2023. We surveyed 788 workers out of a total of 1090 contracted food service workers at Meta represented by UNITE HERE in the San Francisco Bay area, New York, Seattle, Washington, DC, and Cambridge, MA. We also looked at bargaining unit lists (BULs) provided by the employer for the same locations. The statistics on worker wages in this report are based on the BULs for the Bay Area (including San Jose) and New York, which included the most complete data on rates of pay, hours worked, job classification, gender, and race/ethnicity.

The demographics of the contracted workers according to the survey mirror those found in the BULs. The following tables compare the survey results for Bay Area and New York to the BULs for those locations.

Gender	Survey results	BUL data
Female	40.7%	41.1%
Male	58.8%	58.4%
Non-binary	0.5%	n/a
Not declared	n/a	0.6%

Race/Ethnicity	Survey results	BUL data
Black/African-American	13.6%	12.0%
White	5.6%	5.0%
Asian/Asian-American/Pacific-Islander/ Native Hawaiian ¹⁵	11.4%	11.6%
Latino/Hispanic	65.3%	66.1%
Native American	0.0%	0.3%
More than one race	4.1%	2.3%
I do not wish to self-identify	n/a	2.6%

Using the BULs for Meta cafeterias in the San Francisco Bay Area, Cambridge, MA, Seattle, and New York, the average hourly wage was calculated for each unit. The average hourly wage was multiplied by 40 hours per week, 52 weeks a year, and then divided by 12 to find the before taxes/deductions total monthly wage. The 2023 fair market rent for a 2-bedroom apartment was reported in the National Low Income Housing Coalition’s 2023 Out of Reach Report. The 2023 fair market rent was divided by the average monthly wage in order to find the proportion of the monthly wage needed to cover fair market rent.

Endnotes

- 1 CPIs for the metro areas of New York (Jan 2020-Dec 2023), San Francisco (Feb 2020-Dec 2023), and Seattle (Feb 2020-Dec 2023). <https://data.bls.gov/>
- 2 NASDAQ historical quotation for Meta stock for the last date of 2018, 12/31/18, was \$131.09; NASDAQ historical quotation for Meta stock for the last date of 2023, 12/29/18, was \$353.96. <https://www.nasdaq.com/market-activity/stocks/meta/historical>
- 3 Meta 10-K for 2023, p. 90. <https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001326801/000132680124000012/meta-20231231.htm>
- 4 <https://fortune.com/ranking/global500/search/?sector=Technology>
- 5 <https://www.entrepreneur.com/business-news/from-meta-to-mcdonalds-heres-how-major-companies-are/422324>
- 6 <https://www.wsj.com/livecoverage/stock-market-today-dow-jones-earnings-01-24-2024/card/meta-platforms-is-a-1-trillion-company-again-KLPbjvcn5tmf3Qgi3qJ6>
- 7 Meta 10-K for 2023, p. 90. <https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001326801/000132680124000012/meta-20231231.htm>
- 8 Meta 10-K for 2023, pgs. 81 and 120. <https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001326801/000132680124000012/meta-20231231.htm>
- 9 Meta 10-K for 2023, pgs. 60 and 79. <https://www.sec.gov/ixviewer/ix.html?doc=/Archives/edgar/data/0001326801/000132680124000012/meta-20231231.htm>
- 10 Meta 4Q23 earnings call, p. 10. https://s21.q4cdn.com/399680738/files/doc_financials/2023/q4/META-Q4-2023-Earnings-Call-Transcript.pdf
- 11 For example, see “The Impact of the Tech Boom on Housing,” US Census Bureau, 4/30/19. <https://www.census.gov/library/stories/2019/04/impact-of-tech-boom-on-housing.html>
- 12 ‘Fair market rent’ is a measure determined by the Department of Housing and Urban Development that is an estimate of the amount of money that would cover gross rents (rent and utility expenses) on 40 percent of the rental housing units in an area. (See “Frequently Asked Questions: FY 2024 Fair Market Rents,” HUD, https://www.hud.gov/sites/dfiles/PA/documents/FMR_FAQs.pdf.
- 13 <https://www.entrepreneur.com/business-news/from-meta-to-mcdonalds-heres-how-major-companies-are/422324>
- 14 https://about.fb.com/wp-content/uploads/2022/07/Meta_Diversity-Data-Summary-Report_2022.pdf
- 15 This row compares one category from the the UNITE HERE survey, “Asian/Asian-American/Pacific-Islander”, to the combined total of two categories in the BULs, “Asian” and “Native Hawaiian or Other Pacific Islander”.



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