

#### OREGON'S \$9.7 BILLION RESTAURANT ECONOMY IS AT RISK<sup>1</sup>

# Over 75% of Oregon's 10,456 eating and drinking locations are in danger of closing permanently without The RESTAURANTS Act<sup>2</sup>

# THE RESTAURANTS ACT WOULD GENERATE \$2.4 BILLION ECONOMIC BENEFIT FOR OREGON<sup>3</sup>

- Restaurants and drinking places account for 8.2% of all employment in Oregon.<sup>4</sup>
- Food services and drinking places projected to contribute 20,600 new Oregonian jobs from 2017 to 2027.<sup>5</sup>
- The RESTAURANTS Act would galvanize Oregon's tourism industry, encouraging travelers to eat in Oregon's establishments and spend money on lodging, other tourist attractions, and retail, generating \$1.3 billion.<sup>6</sup>
- The RESTAURANTS Act would provide **\$240 million in benefits** to countless other bakers, fishermen, butchers, and, of course, Oregon's **34,250 small farms**.<sup>7</sup>

#### WITHOUT HELP FOR INDEPENDENT RESTAURANTS, OREGON'S ECONOMY WILL SUFFER

- An estimated 76% of eateries are independently owned.8
- Consumer spending across all restaurants has fallen 50% from February to April.<sup>9</sup>
- Independent restaurants rely far less on pickup and drive through service. Tine and casual dining have declined 85% and 65% respectively, while fast-food has only decreased 21%. In National chains like Domino's, Pizza Hut, Papa John's, Raising Cane's, and Taco Bell have hired during this time.
- Nearly **65% of the revenue** from local independent restaurants **recirculates in the local economy** compared to about 30% for chain restaurants.<sup>13</sup>

<sup>&</sup>lt;sup>1</sup> Oregon Restaurant Industry at a Glance.

<sup>&</sup>lt;sup>2</sup> Independent Restaurants Are a Nexus of Small Businesses in the United States and Drive Billions of Dollars o

f Economic Activity That Is at Risk of Being Lost Due to the COVID-19 Pandemic, 2; Oregon Restaurant Industry at a Glance.

Independent Restaurants Are a Nexus of Small Businesses in the United States and Drive Billions of Dollars o

f Economic Activity That Is at Risk of Being Lost Due to the COVID-19 Pandemic, 57. This number represents the total benefits generated by the RESTAURANTS ACT for the state of Oregon. It excludes dollars attributed to Federal benefit.

<sup>&</sup>lt;sup>4</sup> <u>Ibid</u>, page 8.

<sup>&</sup>lt;sup>5</sup> 2017 to 2027 Oregon Employment Projections.

<sup>&</sup>lt;sup>6</sup> Independent Restaurants Are a Nexus of Small Businesses in the United States and Drive Billions of Dollars of Economic Activity That Is at Risk of Being Lost Due to the COVID-19 Pandemic, 57.

<sup>(&</sup>lt;u>lbid</u>, 57 and 11.

<sup>&</sup>lt;sup>8</sup> <u>Ibid</u>, page 2.

<sup>&</sup>lt;sup>9</sup> <u>Ibid</u>, page 3.

<sup>&</sup>lt;sup>10</sup> <u>lbid</u>, page 3.

<sup>11</sup> lbid, page 25.

<sup>&</sup>lt;sup>12</sup> lbid, page 22.

<sup>13</sup> lbid, page 4.



### THE RESTAURANTS ACT WOULD HELP PUT 73,900 OREGONIANS BACK TO WORK<sup>14</sup>

- Since the beginning of March, the leisure and hospitality industry has accounted for 40% of all jobs lost in Oregon.<sup>15</sup>
- Hiring back the 73,900 leisure and hospitality industry workers would save Oregon \$558.7 million in unemployment benefits and insurance taxes. 16
- The RESTAURANTS Act would reduce the national unemployment rate by an estimated 2.4%, a result of saving the industry that has been hit hardest by job losses from the outset of this pandemic. 17

## CONGRESS CAN SAVE 16 MILLION JOBS NATIONWIDE AND GENERATE UP TO \$271 BILLION IN TWO YEARS BY PASSING THE RESTAURANTS ACT<sup>18</sup>

- Independent restaurants and bars directly employ 11 million workers nationwide. Additionally, 5 million more work in the industry's vast supply chains and rely on eating and drinking places to sustain their livelihoods. 19 Without direct aid, all of these jobs are in danger of vanishing permanently.
- Restaurants have become tourist destinations domestically and internationally. One study found that 72% of all travelers choose their destination based on food and drink offering.<sup>20</sup> Tourists also spend money on travel, housing, and retail.
- The loss of economic activity due to culinary travelers is estimated to be up to \$141 billion.<sup>21</sup>
- Restaurants are hubs of minority employment and advancement. Sixty percent of all chefs nationwide are minorities. Minorities also make up 53% of bussers, runners, baristas, prep-cooks, dishwashers and kitchen porters. Restaurants also employ more minority employee-managers than any other industry.<sup>22</sup>
- Over half of all restaurant workers are women, and restaurants employ over one million single mothers.<sup>23</sup>.
- Restaurants generate middle class jobs at a rate three times faster than the economy.<sup>24</sup>

<sup>&</sup>lt;sup>14</sup> Oregon Economy at a Glance.

<sup>16 &</sup>lt;u>Ibid; Independent Restaurants Are a Nexus of Small Businesses in the United States and Drive Billions of Dollars of Economic Activity That Is at Risk of Being Lost Due to the COVID-19 Pandemic, page 57.</u>

Ibid, 1.

<sup>18 &</sup>lt;u>lbid.</u>
19 <u>lbid, 1, 2</u>.

<sup>20 &</sup>lt;u>Ibid</u>, 43. 21 <u>lbid</u>, 45.

<sup>&</sup>lt;sup>22</sup> lbid, 9.

<sup>&</sup>lt;sup>23</sup> lbid, 8.

<sup>&</sup>lt;sup>24</sup> Middle-class jobs are growing rapidly in restaurants, National Restaurant Association