

SPECIAL FOCUS: THE FOOD AND BEVERAGE SERVICE INDUSTRY

Eating and drinking away from home

The food and beverage service industry¹ is an important part of British Columbia's tourism sector. The industry earned just over \$4 billion and employed 96,000 workers in 1996. Food and beverage services made gains in 1996, with revenue increasing 13%, and employment up 6% over the previous year. The industry's GDP rose 3% in 1996, to \$1,370 million². About a quarter of the industry's GDP is attributed to tourism-related activities.

The Standard Industrial Classification divides the food and beverage service industry into five components: licensed restaurants, unlicensed restaurants (which includes drive-ins), take-out food services, caterers, and taverns, bars and night clubs.

Receipts top \$4 billion

Licensed restaurants earned more than half (\$2.2 billion) of the \$4.1 billion in food and beverage service industry revenue in 1996. The 15% increase in the receipts of licensed restaurants was the largest in the food and beverage service industry, but only half the growth rate experienced in 1995. Although most other sectors of the food and beverage service industry had revenue growth of about 10%, their increases were also below 1995 rates. The exception was beverage services (taverns, bars and night clubs), where revenue

	Revenue (\$ millions)	% growth from 1995
Licensed restaurants	2,216	15%
Unlicensed restaurants	884	10%
Take-outs	409	12%
Caterers	281	11%
Taverns, bars & night clubs	281	4%
TOTAL	4,070	13%

¹ The data in this section is based on information from Statistics Canada monthly survey of restaurants, caterers and taverns, and various other surveys and publications.

² Constant 1986 dollars.

increased a modest 4% in 1996, improving on the lack of growth experienced in 1995.

A restaurant on every corner?

In 1996, 8,582 food and beverage service establishments³ operated in B.C. More than two-thirds of the establishments were restaurants, and two of every three restaurants was a licensed facility.

Just over half of the restaurant and food service establishments employ fewer than ten people, and most of the remainder have between ten and fifty workers.

Most are low wage workers

In 1996, about 8% of the total B.C. workforce was employed in the food and beverage service industry⁴. Nearly nine out of every ten workers were paid by the hour (rather than salaried), compared to about six out of ten in the workforce as a whole.

These waged employees earned \$186 per week, only 40% of what the average waged worker in B.C. earned. One factor contributing to these lower earnings was a shorter than average work week (22 hours, compared to the provincial average of 29 hours). It is not known how much additional income is earned as tips and gratuities.

Salaried workers in the food and beverage service industries fared somewhat better. Their earnings were \$455 per week, 60% of the provincial average. The work week of salaried workers was equal to the provincial average (36 hours).

In 1991, 58% of food and beverage service workers in B.C. were women. In contrast, women made up only 45% of the provincial workforce. At an average 29 years of age, workers in the industry were 9 years younger than the average worker in B.C.⁵

³ An establishment is the smallest unit of a company capable of reporting full financial statistics. Establishments are often equivalent to "plants" or "locations". The source of the establishment data is the Business Register Division, Statistics Canada.

⁴ Statistics Canada, Survey of Employment, Payroll and Hours.

⁵ Statistics Canada, 1991 Census.