



Restaurant Impact Survey: July/August 2021

Results Compiled from Colorado Restaurant Association Survey Conducted July 8 – August 9, 2021

The restaurant industry is struggling due to economic repercussions from the pandemic.

- More than 25% of restaurants are considering permanent closure in the face of significant debt, increased overhead, and a severe shortage of labor.

Colorado restaurants have taken on massive pandemic-related debt burdens.

- More than 67% of restaurants say they have accrued new, pandemic-related debt.
- Restaurants owe an average of more than \$180,000 in pandemic-related debt.

New Debt Total	More than \$100,000	More than \$200,000	More than \$500,000
Percentage of Restaurants	59.2%	30.3%	4.4%

- More than half of restaurants estimate it will take three to five years to repay these debts.

Operational overhead in restaurants has increased significantly since March 2020.

- 100% of restaurants say that the cost of business has increased since the onset of the pandemic.
- 80% of restaurants rank labor as the most increased cost, followed by food and supplies.
- Almost 95% of restaurants are increasing menu prices to offset increased costs.

Wage rates are going up and operators are adding benefits to attract and retain talent.

- Nine out of 10 restaurants have changed business practices or wage rates to increase hiring and retention; one out of four are currently offering retention or hiring bonuses.
- Since March 2020, restaurants report increasing wages by an average of 19%.
 - More than 31% of restaurants have increased wages by 21 to 30%.
 - More than 10% of restaurants have increased wages by 31 to 40%.
- More than 23% of restaurants have added new benefits to their compensation packages.

New Benefits	Paid Time Off	Medical Insurance	Dental Insurance	Vision Insurance
Percentage of Restaurants	38%	31%	22%	18%

- Other new benefits include 401K plans, educational assistance, health and wellness programming, and health and wellness allowances.



Labor remains a crisis for the industry as restaurants attempt to repay debt and regain lost revenue.

- By the end of June 2021, the Colorado restaurant industry was still down almost 11,000 workers (4.6%) from pre-pandemic levels (*Bureau of Labor Statistics*).
- More than 91% of restaurants report struggling to hire enough staff.
- More than 67% of restaurants report struggling to retain current staff members.

Source: Colorado Restaurant Association survey of 195 operators conducted July 8 – August 9.