

Keep the change? Canadians split on moving to a no-tipping system in restaurants

Six-in-ten who prefer 'service included' pricing say they tip more due to societal pressure

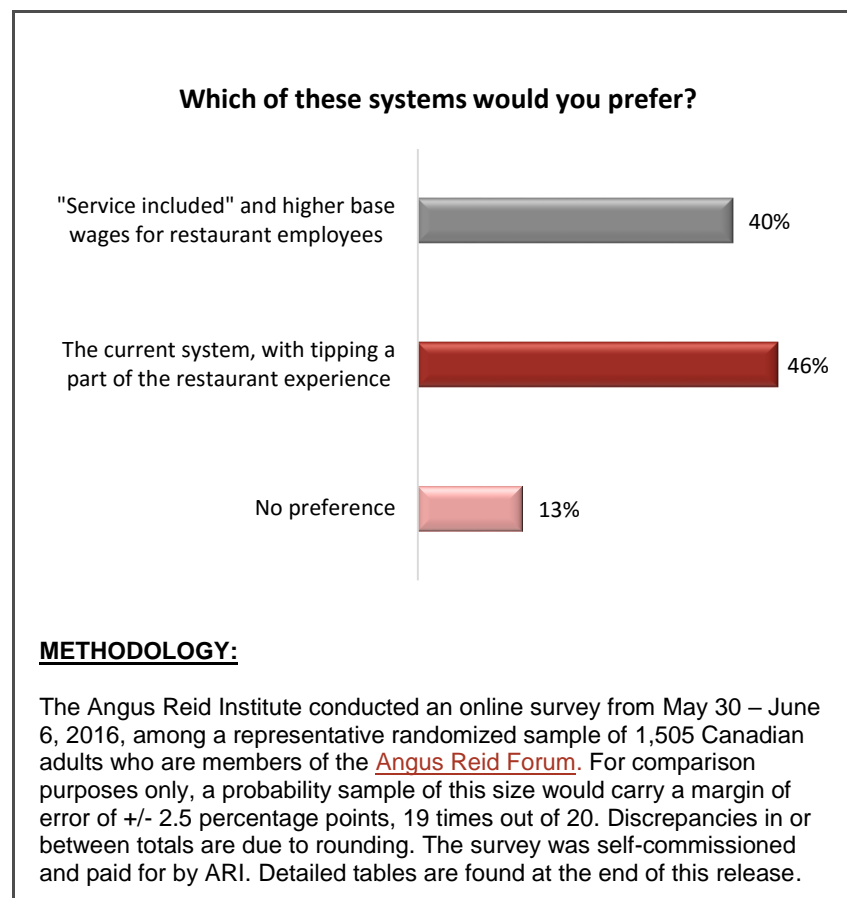
July 13, 2016 – As an Earls Restaurant in Calgary makes waves for piloting a [no discretionary tipping policy](#) – replacing it instead with 16 per cent hospitality charge for diners, a new public opinion poll from the Angus Reid Institute finds slightly more Canadians tilt towards maintaining the status quo than ending the tradition of leaving a gratuity.

The no-tip compensation model has been [hailed in some quarters as the future](#) of dining out: a simple solution to the unpredictability of wages for restaurant workers and a way to remove what many customers see as an obligation, rather than an optional reward for good service.

But Canadians don't appear poised to overwhelmingly embrace a move to this new system, in spite of the fact that the majority see tipping as a mechanism for employers to underpay wait staff as well as others in the hospitality industry.

Key Findings:

- Two-in-five Canadians (40%) say they would like to move to a "service-included" model for restaurants, rather than keep the current tipping model (46%). Roughly one-in-seven (13%) have no preference for either system



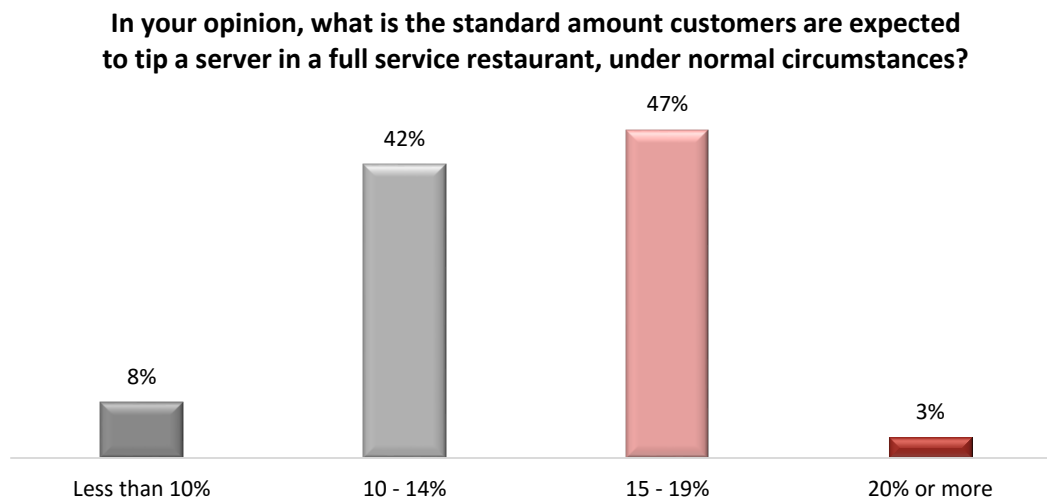
- The vast majority of Canadians set the standard tip expected in restaurants between 10 and 20 per cent, and roughly equal numbers fall above and below the 15 per cent midpoint
- Canadians don't really deviate from their standard tip because of the quality of service. Just one-in-ten (9%) say they do so "often"

How much do Canadians tip?

When the "average" Canadian has an average dining experience at the average restaurant, how much is he or she expected to tip?

For most, the answer to this question falls somewhere between 10 and 20 per cent of the total bill. Fewer than one-in-ten (8%) say the standard, expected tip for restaurant service is less than 10 per cent, while an even smaller number (3%) say it's over 20.

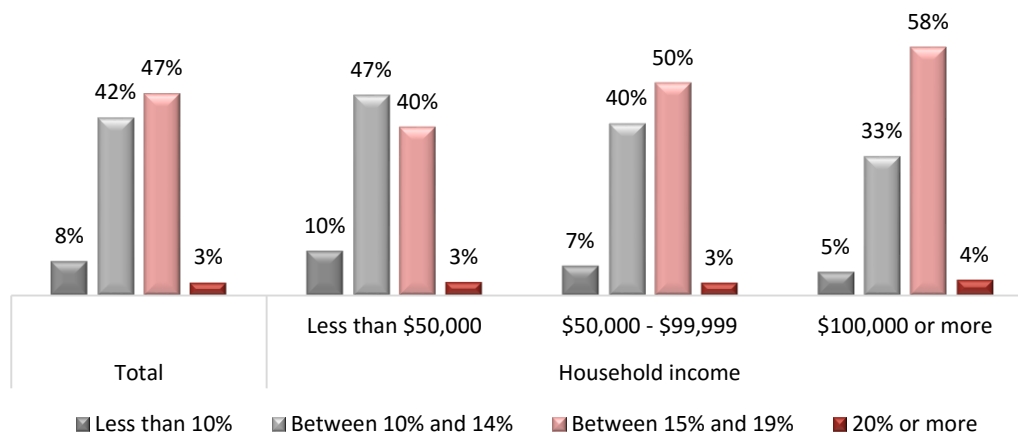
The vast majority are divided roughly evenly between 10-14 per cent (42% choose this option) and 15-19 per cent (47%):



As might be expected, different groups of people see Canadian tipping norms differently. Regionally, Quebec and Ontario residents are most likely to say the expected restaurant tip is above 15 per cent, while those who live in Saskatchewan and Manitoba are most likely to say the standard tip is below 10 per cent ([see comprehensive tables for greater detail](#))

Most obviously, income level also plays a significant role in Canadians' personal tipping preference. The more you earn, the more you tip, and vice-versa:

In your opinion, what is the standard amount customers are expected to tip a server in a full service restaurant, under normal circumstances?



Younger Canadians (those ages 18 – 34) also tend to set the expected tip percentage lower than other age groups. Some 12 per cent of this age group say the standard tip is less than 10 per cent, compared to only 3 per cent of the 55-plus age group who say the same ([see comprehensive tables](#)). This may be explained by lower income levels overall among this group, rather than a philosophical position.

Does tipping depend on service?

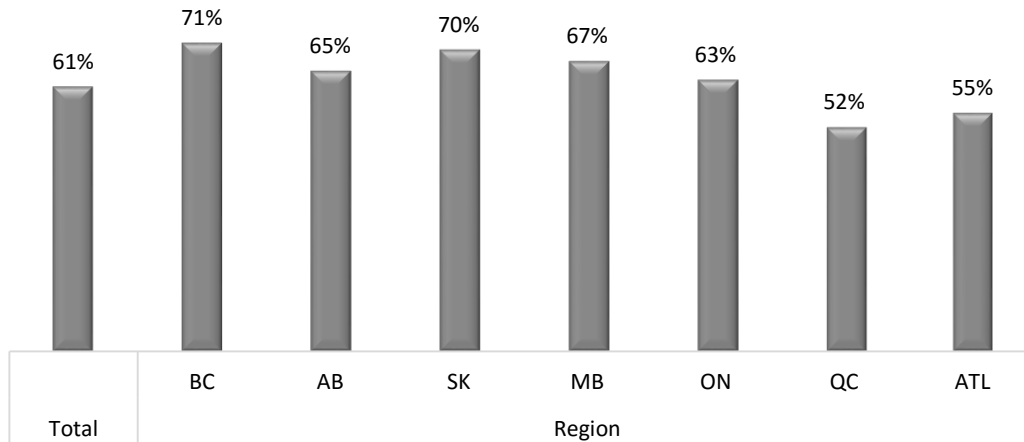
In theory, a tip is a gift; a little extra cash to reward a service worker for a job well done. In practice, however, tipping is an expected part of the compensation restaurant servers receive. It's this expectation that leads many jurisdictions [to set lower minimum wages](#) for workers who receive tips.

Critics argue that this leaves a large portion of the compensation servers receive up to the discretion of customers, and most Canadians appear to agree.

Fully three-in-five (61%) agree with the statement "Tipping is no longer about showing appreciation for a job well done," including one-quarter (26%) who "strongly agree."

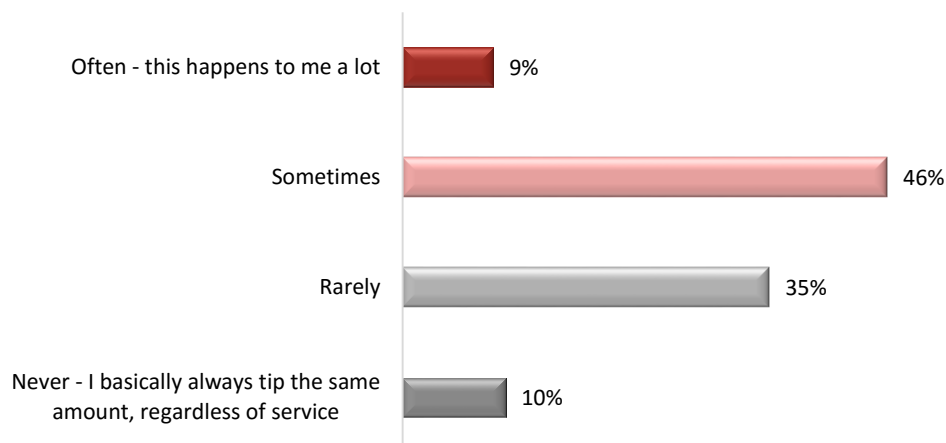
Agreement with this statement is highest in British Columbia (71%) and lowest in Quebec (52%), even though both of those provinces [have a lower minimum wage](#) for restaurant servers (\$9.20 in each province, though B.C.'s minimum only applies [to those who serve liquor](#)).

**"Tipping is no longer about showing appreciation for a job well done"
(those who agree shown):**



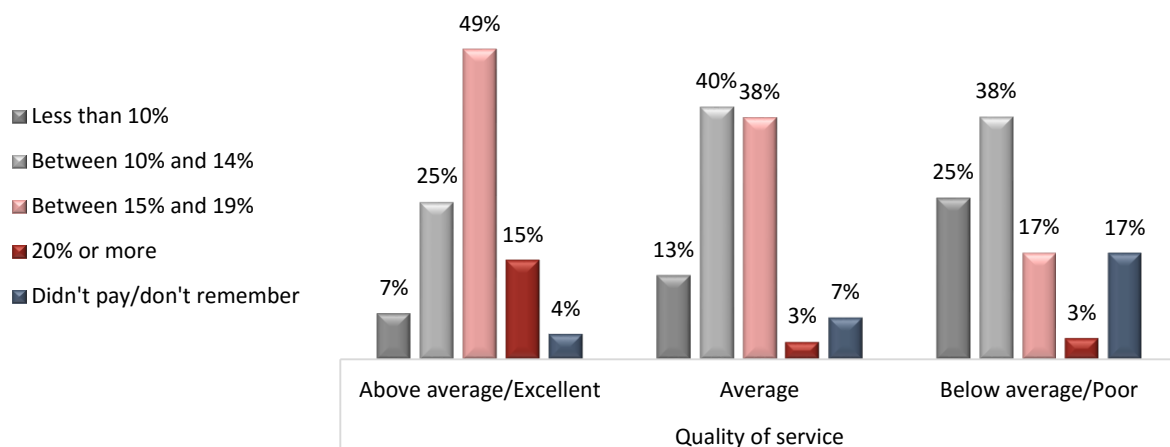
But while consensus in Canada clearly exists on the idea of tipping being about more than reward for good service, that doesn't mean that service isn't at least a partial factor in the size of the tip they leave. Indeed, nearly half (46%) say they "sometimes" deviate from their standard gratuity based on a server's performance.

**In general, how often would you say you receive service
either so good or so poor that you deviate from the standard,
expected tip?**



The persistence of performance-based tipping can be seen in Canadians' reporting of how much they tipped during their last restaurant experience: the better the service – the better the tip:

How much Canadians tipped the last time they ate in a restaurant, by quality of service received:



Service included? Two-in-five would like to move away from tipping

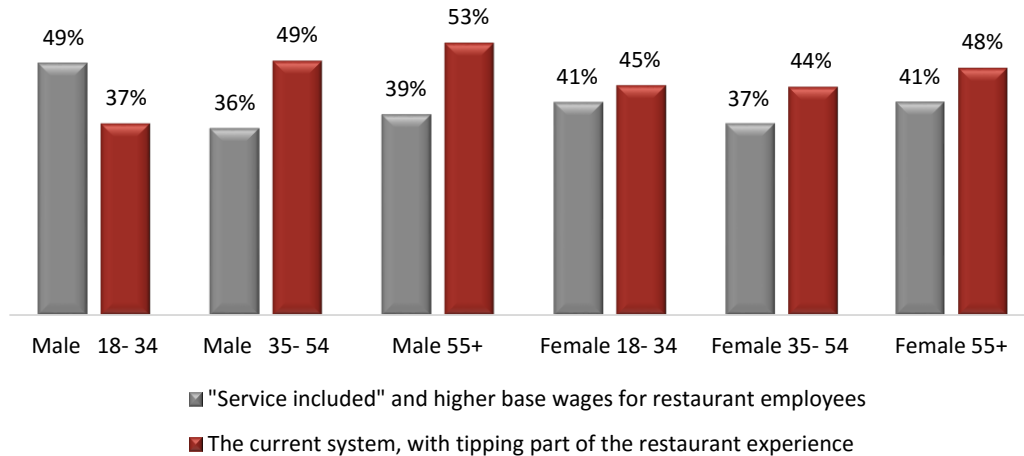
As the number of restaurants going tip-free [continues to grow](#), some high-profile early adopters of the practice have begun [reverting to the old system](#).

The U.S. casual dining chain Joe's Crab Shack recently re-introduced tipping at most of the locations that had been piloting a service-included dining model, after losing "8 to 10 per cent" of their customers at those locations, according to the chain's CEO.

The idea that the general public is not hugely enthusiastic about abandoning gratuities is borne out in this survey, which finds slightly more Canadians expressing a preference for the current system than for a "no tipping" model (46% versus 40%, with 13% saying they have "no preference").

Views on this question are consistent across regions and most other demographic groups, the notable outlier being men under the age of 35, nearly half (49%) of whom would prefer to see tips phased out:

Which system would you prefer?

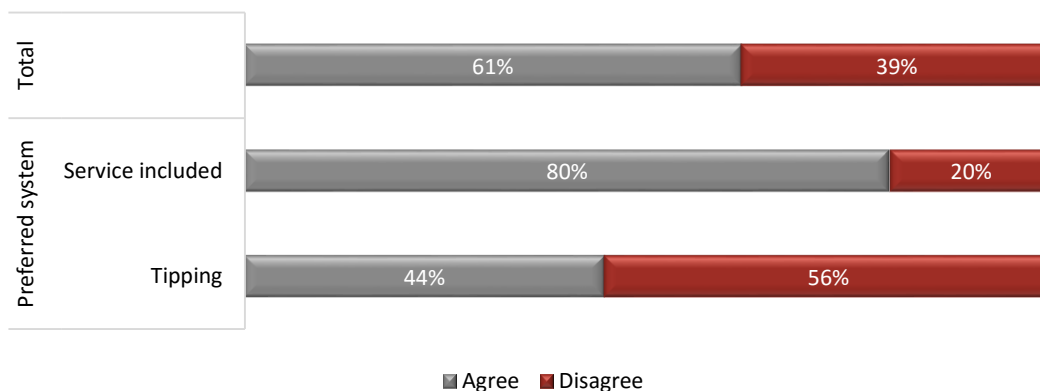


Interestingly, Canadians who have worked jobs that included tips as an expected part of their compensation are not significantly different in their views on this question from those who have never worked for tips (see summary tables at the end of this release).

The desire to abolish tipping – or to leave the current system alone – is reflected in each group’s views on a variety of statements about tipping as a social convention.

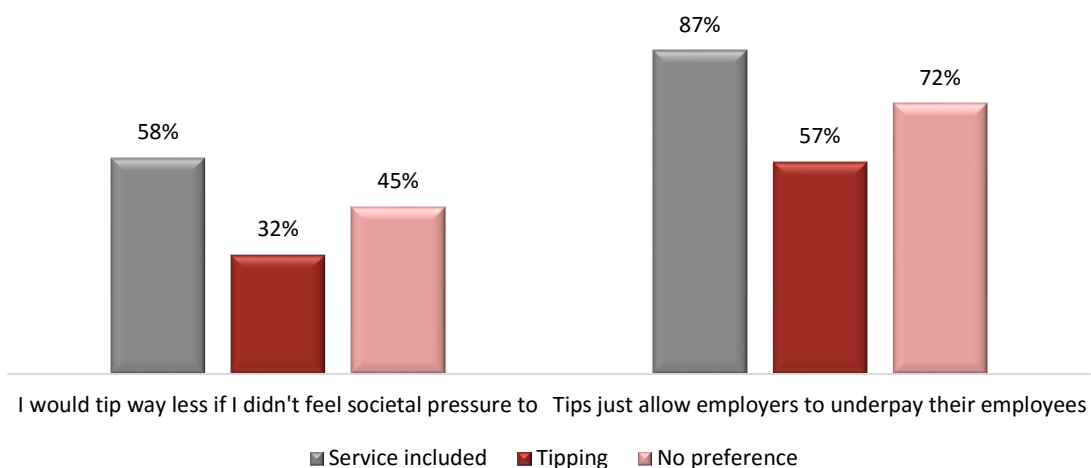
Those who favour a service included model, for example, are overwhelmingly inclined to agree with the statement “Tipping is no longer about showing appreciation for a job well done,” while those who would like to see the current model continue are more likely to disagree than to agree, as seen in the following graph:

"Tipping is no longer about showing appreciation for a job well done"



Similarly, among respondents who would like to see Canada move away from tipping, a full majority (58%) say they “would tip way less” if they didn’t feel societal pressure to. This group even more likely than others to say tips “allow employers to underpay their employees:”

Percentage who agree with each statement, by preferred tipping system:



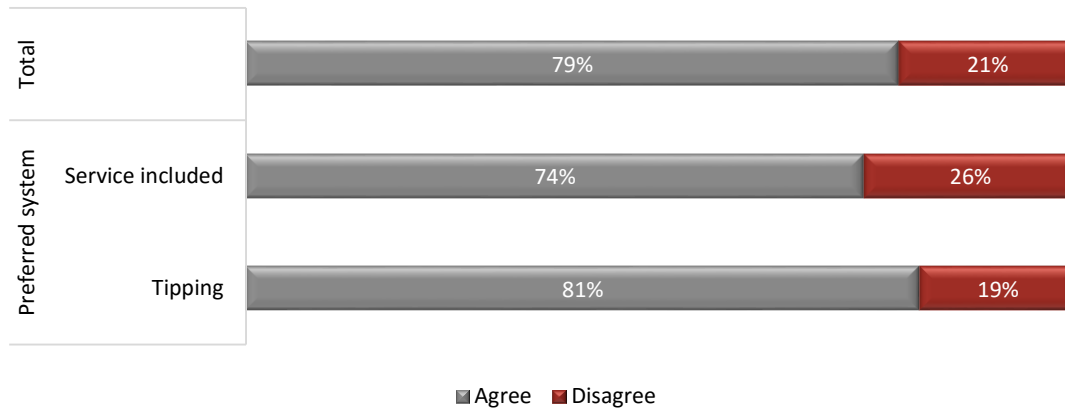
Most think tips are the only thing that make some jobs worthwhile

Tipping is deeply ingrained in Canadian restaurant culture. Perhaps this is the reason most restaurants have been hesitant to make the switch to a service included model. Interestingly, while Earls in Calgary may be the highest profile example of the ‘ditch the tip’ strategy, Albertans overall are the least interested in seeing changes made – 18 per cent of them say they have no preference between tipping or service included, the highest level of indifference in the country ([see comprehensive tables](#)).

But the difficulty of changing the status quo might not be the only obstacle facing the movement to end gratuities. The vast majority of Canadians (79%) agree with the statement “tips are the only thing that make some jobs worthwhile,” meaning eliminating tips would also eliminate the principle benefit of many jobs. For example, a [study in Ontario](#) found that restaurant servers made an average of \$27.80/hour. It seems unlikely that they would see a compensatory wage rise of that level, about triple the minimum wage in the province, if service included models were fully employed.

Even among those who would like to see tips phased out, three-in-four (74%) agree that they’re the only thing currently making certain jobs worth doing:

"Tips are the only thing that makes some jobs worthwhile"



Among Canadians who have worked for tips, agreement with this statement is especially high (83%, compared to 77% among those who have not worked for tips).

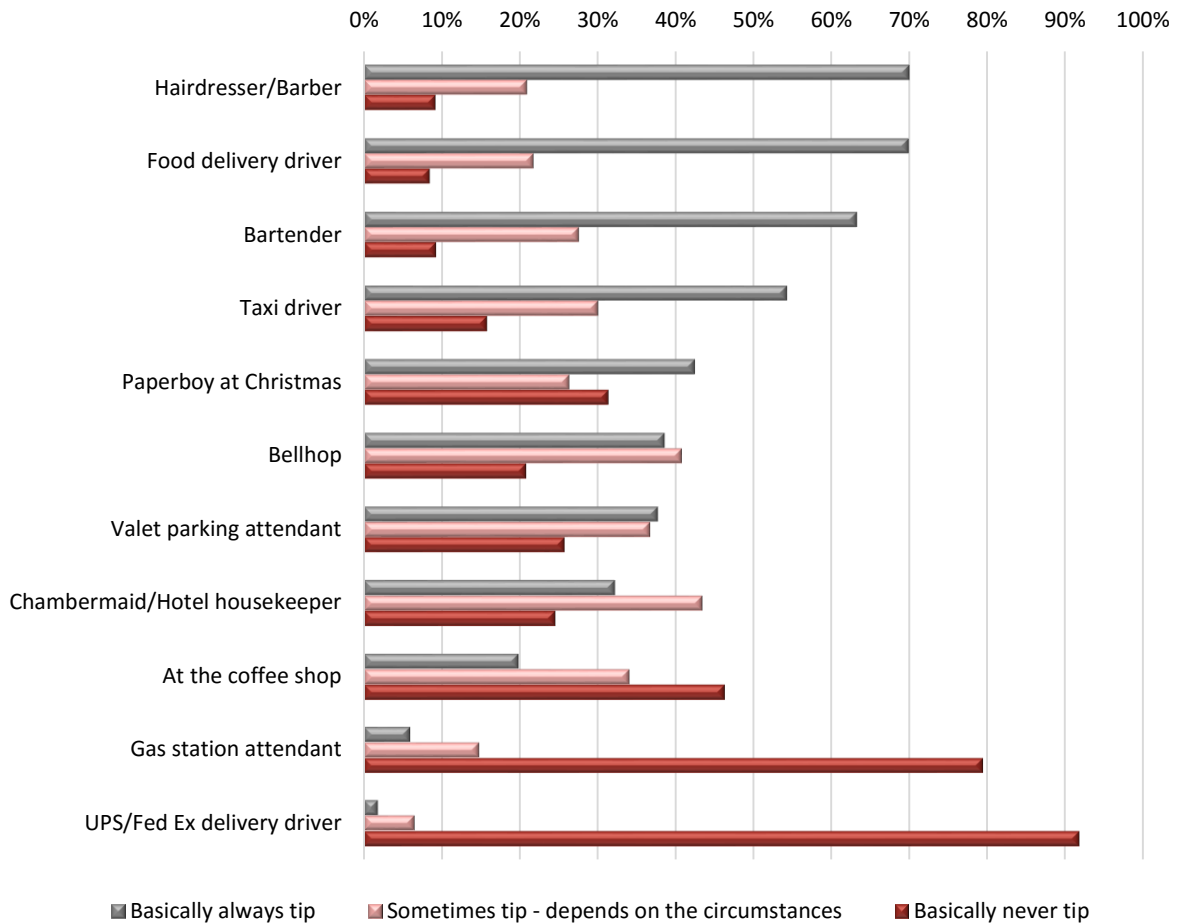
Besides in restaurants, where do Canadians tip?

Restaurant servers aren't the only people who regularly receive tips as a part of their income, but they are likely the group that receives tips most consistently.

But who else is getting a gratuity in their day-to-day employment? Asked about a variety of types of service workers, most Canadians who use those services "basically always" tip hairdressers, food delivery drivers, bartenders, and taxi drivers, while most "basically never" tip gas station attendants and parcel delivery drivers.

On other groups of workers, however, there is less consensus (see the following graph and [comprehensive tables](#)):

**For which of the following services, if any, do you usually tip?
(responses ONLY from those who use each service)**



Of course, large numbers of Canadians don't use each of the services on the list. Even the most-used services – hairdresser/barber and coffee shop – aren't used by roughly one-in-ten Canadians (11% in each case). Others, including valet parking and newspaper delivery, are used by fewer than half of all respondents ([see comprehensive tables](#)).

*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research organization established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

Summary tables follow. For detailed results by region, age, gender, education, and other demographics, [click here](#).

Some people have suggested that Canadian society ought to move away from tipping, and toward a “service included” model. In such a system, tips are included in the prices on the menu and customers do not add any money to the total. Instead of receiving tips, restaurant staff would be paid higher base wages.

Which system would you prefer?

(weighted sample sizes)	Total (1505)	Worked in a job where tips were expected	
		Yes (390)	No (1115)
"Service included" and higher base wages for restaurant employees	40%	38%	41%
The current system, with tipping part of the restaurant experience	46%	51%	45%
No preference	13%	11%	14%

Would you say you agree or disagree with the following statements?
("Tips are the only thing that makes some jobs worthwhile")

(weighted sample sizes)	Total (1505)	Worked in a job where tips were expected	
		Yes (390)	No (1115)
Strongly agree	31%	32%	30%
Moderately agree	48%	52%	47%
Moderately disagree	14%	9%	16%
Strongly disagree	7%	8%	7%

Would you say you agree or disagree with the following statements? (Summary of Agree)				
(weighted sample sizes)	Total (1505)	Preferred tipping system		
		Service included (608)	Tipping (695)	No Preference (202)
Tipping is no longer about showing appreciation for a job well done	61%	80%	44%	64%
I would tip way less if I didn't feel societal pressure to	44%	58%	32%	45%
Tips are the only thing that make some jobs worthwhile	79%	74%	81%	82%
Tips just allow employers to underpay their employees	71%	87%	57%	72%

Thinking about the last time you ate at a full-service restaurant (i.e. one where you are waited on at your table) roughly how much did you tip?				
(weighted sample sizes)	Total (1505)	Quality of Service at last dining experience		
		Excellent/Above average (672)	Average (738)	Below average/Poor (95*)
Less than 10%	11%	7%	13%	25%
Between 11 and 14%	33%	25%	40%	38%
Between 15 and 19%	41%	49%	38%	17%
20% or more	8%	15%	3%	3%
Didn't pay/don't remember	6%	4%	7%	17%

**Small sample size*