

Foreign labor fills need in Delaware, even with high jobless rate

By ESTEBAN PARRA • The News Journal • August 15, 2010

Jonathan Rios traveled more than 2,000 miles from central Mexico to southern Delaware so he could spend eight months mowing lawns.

The 25-year-old Mexican native is one of thousands of migrants who legally come to this country every year under the federal guest worker program known as H-2B. It allows foreign laborers to fill seasonal non-agricultural jobs that American citizens have not taken.

Workers like Rios can be found throughout the region performing low-skill or entry-level jobs.

They pick crab meat on Maryland's lower Eastern Shore, work in the kitchen at the DuPont Country Club in Rockland and mow lawns at the Fieldstone Golf Club in Greenville. Others work construction jobs, are employed as housekeepers and serve as lifeguards.

They are recruited by employers even though nearly one out of 10 Americans who want to work can't find a job. In Delaware, about 35 businesses applied for nearly 700 temporary foreign workers last year. The federal government granted 519 permits -- less than 1 percent of Delaware's non-farm work force.

"You may have 10 percent unemployment, but there's nobody out there saying, 'We're not going to give you an unemployment check. You gotta go cut grass. You gotta go shuck oysters and change beds,' " said Libby Whitley, president of Lovington, Va.-based MAS Labor, one of the nation's largest providers of H-2B workers.

"Our government, in effect, pays people not to be interested in taking these jobs," Whitley said. "When you got 99 weeks of unemployment compensation and you are a former bank teller or a gas station attendant ... and the unemployment program says you have another six months of unemployment benefits ... why would you go cut grass?"

Although the demand for H-2B laborers has decreased to less than half of what the federal government permitted in 2007, there is still a need for some business owners to reach overseas to find workers, mostly because of the poor economy. There are a number of reasons why this occurs, said Beth Haynes, an economics professor at Brigham Young University-Hawaii.

"There are things that are keeping the unemployed from getting those positions," she said, including a mismatch of skills, people unwilling to move for jobs in different regions and an educated community unmotivated by a minimum-wage job.

"If we didn't bring people in who were willing to work in those jobs and the wages people are willing to pay for them, what would happen if people were not filling those jobs?" she asked. "The employers would have to pay higher and higher wages to be willing to work in that occupation. Then that raises cost."

The relatively strong market for guest workers reveals a disconnect within state and national unemployment statistics that find more than 14 million Americans -- and more than 34,000 Delawareans -- without a job.

In Delaware, for example, many of the jobless come from sectors of the economy that were hardest hit by the housing collapse -- construction and associated trades, **banking** and other financial or professional businesses related to home sales and mortgages. Others were longtime workers in the state's two auto assembly plants.

Those workers have skills and experience that are not well-fitted to the needs of some employers who are ready to hire. The manufacturing and **trucking** industries have rebounded well from the recession, but some businesses are struggling to find workers with the skills they need. They aren't interested in retraining credit card account executives to drive a semi or run a precision lathe.

Not the right skills

"You are never going to have things match up perfectly," Haynes said. Even when people leave **school**, the skills needed are not always going to be compatible with what they learned in school. "You are often going to run into a mismatch of skills. You don't know in advance which industries are going to be growing and how changing technology will change the exact skills they need in those industries."

Many of the unemployed are holding out for work that pays on par with their last job. They are willing to subsist on unemployment **insurance** benefits and draw down on savings on a quest to resume their careers -- and restore their accustomed middle-class lifestyle.

Delaware's jobless can receive up to \$330 per week from unemployment insurance, although many get less than that.

The prevailing wage for a lawn-care laborer in Delaware is a little more than \$9 an hour -- \$360 before **taxes** for a 40-hour week.

"The way out of this recession isn't to make the merger-and-acquisition attorneys chicken plant workers in Sussex," said Wilmington lawyer Michael Stafford, who has worked on immigration issues. "It's to create new jobs for them that match their skills and their training, where they can be successful."

This goes for any industry in which workers need some **education**, whether it's high school or college.

"We need to create skilled jobs for skilled workers," Stafford said.

While summer's end marks a time when some sectors of the American economy are slowing down or shifting, such as tourism and landscaping, the process of recruiting guest workers for the following year starts about now.

Employers must apply for temporary labor certifications with the U.S. Department of Labor before filing a petition with U.S. Citizenship and Immigration Services, an agency of the U.S. Department of Homeland Security. Companies must indicate how many foreign workers they expect to need.

Labor market review

Before issuing a permit, the federal government reviews whether qualified people in this country are available and whether employing foreign workers will hurt the wages and working conditions of others in the same industry. There are 66,000 H-2B permits available in the country each year. While a company may receive 10 permits, it does not have to hire 10 people.

Guest workers are permitted to work eight months out of the year in seasonal positions. They must return home when the season ends or risk being barred from future entry into the program.

The majority of H-2B workers come from Mexico, Guatemala and El Salvador because it's more cost-effective, Whitley said. Employers must pay some of their guest workers' visa and travel expenses. But guest workers travel from all over the world to land a temporary job in America, said Whitley, who works with recruiters in other countries.

"We do a small amount of providing lifeguards for facilities," she said. "Those folks typically come from Eastern Europe."

In about 2-3 percent of the cases, guest workers are turned away by U.S. Customs, Whitley said.

Before hiring seasonal workers, employers must advertise the open jobs in newspapers of general circulation for three consecutive days or in a professional, [trade](#) or ethnic publication, whichever is most appropriate for the occupation and most likely to bring responses from U.S. workers. The advertisement must include the employer's name, the rate of pay and how long the job will run.

While many of these companies receive calls, few local residents apply.

After advertising for lawn-care workers, Tony Sposato, owner of Sposato Landscaping in Milton, said there were about 20 to 25 local people who showed interest in the ad, which also runs on the state Department of Labor's website.

Sposato said he hired the only three who showed up for the interview, but only two of them showed up on the first day of work. Sposato ended up hiring 25 people through the H-2B program to help the 81 other people who work for him.

Mike Sander, general manager of Fieldstone Golf Club, said the private Greenville country club ended up running ads for seasonal workers earlier this year. Of the nearly 70 people who interviewed, 14 said they would work at Fieldstone.

"Of the 14 who said they wanted the job, there were four who never came," Sander said. "Of the 10 who did, we only have one who is still with us."

The 10 guest workers the club hired from Mexico this season to do lawn care are still with them.

"That happens just about every year," Sander said.

Antoine Right Sr. worked about six months at the DuPont Country Club doing maintenance before taking a job as an appliance repairman. Right, 29, said country club employers lose people like him because the pay is too low to support a [family](#) and the demands are too high.

"It was too much work. I had to stop," he said of the maintenance job that included lawn care and cleaning the golf course. "Try cleaning it for 8-something. You wouldn't want to do it."

Right, of Wilmington, has since lost his repairman's job and is looking for another job.

On Friday, he was filing for unemployment benefits.

Using foreign seasonal workers is typical in the hospitality industry, said Rick Straitman, a spokesman for the DuPont Co. which owns the country club in Rockland. That's especially true because there has been a shortfall of local candidates in each of the last several years, he said.

"The H-2B visa program has provided seasonal workers to the DuPont Country Club for several years," Straitman said, adding that the club hired 25 people from Mexico this year under the guest worker program. "DCC has used the program to supplement its seasonal work force because it is difficult to recruit sufficient numbers of local workers for the summer months."

Even H-2B critics, who claim the program can be a form of indentured servitude because workers perform at the employers' whim or face deportation, say the program is needed because there is a lack of an adequate work force in certain parts of the country. One such job is crab picking along Maryland's Eastern Shore, said Jayesh Rathod, assistant professor of law at American University Washington College of Law.

Not a single factor

Rathod published a report last month calling for changes in the visa program, including educating migrant workers before each season about their rights.

"You may not have a whole swath of legal residents or citizens who can work on the Eastern Shore," Rathod said. "There are a whole lot of reasons, so it's hard to boil it down to one factor or another."

If these industries were to raise wages to where enough American workers were willing to take them, someone would have to pay for it, said Stafford, the Wilmington lawyer.

"Do we all want to pay \$2 more for a pack of chicken or an extra dollar for a pound of some type of fruit?" Stafford asked. "Maybe we do. But those costs are going to get passed on to everybody."

If it becomes too expensive to pick fruit or crab meat in this country, then the job will be done in other countries and the product imported, Stafford said.

For Rios, who has come to America the last three seasons, the work is hard but he knows this will help his wife and two children more than the wages he would earn at a clothing factory in Tlaxcala, Mexico.

"This helps me progress so I can move my family forward," Rios said.

Contact Esteban Parra at 324-2299 or eparra@delawareonline.com.