

Spanning the globe

By Anna Thibodeaux

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In a country where labor is a major export, Greg Reggio is an eager importer.

After it took eight weeks to find enough workers to open Zea Rotisserie & Grill in the Towne Center at Cedar Lodge, Reggio went to the Philippines for help.

Reggio attended a job fair in Manila, where the country's minimum wage is \$5 a day, and about 3,000 showed up for interviews. The candidates were prequalified, meaning they're capable of doing the job, and were ready for work when cleared by the U.S. Embassy as nonflight risks.

"This is a wonderful opportunity for them," Reggio says. "I pay the same wage as I would any U.S. worker. Starting wage for these folks is \$10 an hour. If they work overtime, they get paid overtime."



LABOR DAY: Don Don German was one of about 3,000 Filipinos who recently showed up for interviews at a job fair in Manila. Zea Rotisserie & Grill owner Greg Reggio attended the job fair, which featured prequalified Filipinos who could work in America when cleared by the U.S. Embassy as nonflight risks.

In September, 50 "J-1s"—Filipino culinary students—will help staff Zea restaurants in Baton Rouge and New Orleans. Under provisions of the Philippines' J-1 seasonal-worker program, they can work up to one year in the U.S.

The Filipino government has recognized the opportunity to grow the country's economy with OFWs [overseas Filipino workers]. At the beginning of the year, Labor Secretary Arturo Brion projected a record-setting one million OFWs this year, citing employment opportunities in Canada, Europe and Saudi Arabia.

On a smaller scale, OFWs could translate into a more stable workforce for Reggio's growing New Orleans-based chain, which currently has 11 locations from Albuquerque, N.M., to Pensacola, Fla. With an estimated \$250,000 lost revenue from not being able to open the Towne Center location for lunch, Reggio wants to focus on growth instead of a turnover rate that's increased from 10% to 20%.

"It's a great program," he says, "and it's something we'll utilize from here on."

Despite a regionalized U.S. economy that has areas such as Arizona, California and Nevada struggling with housing issues and layoffs, parts of the Gulf Coast have remained so healthy that it's created a labor rush, especially in skilled labor.

But Zea is not the only company recruiting labor in states as far away as Alaska and competing with other countries in an already demanding global market in the race for economic growth.

When George Knost, president of Arkel International, faced the prospect of losing a potential project over skilled labor, he relied on connections in Turkey for the services of 200 Turkish welders for the job. Even though the project fell through, Knost says he'll consider taking this route again for future work.

Wood Ogé, site director of Northrop Grumman's Avondale shipyard, says that as a defense contractor, he can only employ U.S. citizens or people with a green card or permanent residency in the U.S. Of the company's 5,500 workers there, 450 workers or subcontractors are from other states or have a green card.

Ogé uses three companies to find labor, which he says has become more challenging in the last 10 years as more older workers retire. "The key to our success will be transforming our educational system—that is our ultimate goal. That is my future workforce. That is the answer to the puzzle, ultimately. It's not these subcontractors."

In Houma, 250 to 300 Hispanics with H-2B visas make up Quality Shipyards' 400 workers, says Jody Badeaux, vice president and general manager. The company also had 20 Ukrainians work at the yard last year. With an H-2B visa, a foreign national can work as skilled or unskilled labor in the U.S. up to 10 months; an average of 66,000 of these visas are issued a year.

While using Hispanic labor has become increasingly controversial amid the nation's growing immigration debate, Badeaux says the company has done it more than 10 years because it hasn't been able to find enough domestic skilled labor. Even with imported labor, he's had to turn away more than \$1 million in projects.

With the boom caused by skyrocketing energy prices, the oil and gas industry is upgrading and modernizing vessels more than 20 years old, and the supply boat industry is responding to record-setting drilling in the Gulf of Mexico.

Badeaux says he'd like to hire another 200 people—all of them American. While the temporary help has been productive, it doesn't promote a steady workforce, which has interrupted workflow and meeting schedules. Although he wants to hire domestically, Badeaux says they all contend with intense national competition for skilled labor.

Badeaux says shipyards with government contracts in his hometown of Norfolk, Va., can't use H-2B workers, so those companies are constantly wooing skilled labor from shipyards in the South. Many workers accepted offers after hurricanes Katrina and Rita in 2005 but have since returned.

"There is more work out there than there is people to do it," he says. "There could easily be another five to 10 years of work out there."

Stephen Toups, corporate vice president at Turner Industries, agrees. Of the industrial construction company's 16,000 workers, Toups says 10% of them are Hispanic; Turner also has started using Filipino labor in the past 1 1/2 years.

"We're rapidly learning that with the work out there, we've got to keep an open mind and work with anybody we can," Toups says. This effort has included using work-release prisoners in the company's fabrication shop who otherwise couldn't get these jobs because they wouldn't pass a background check.

Two years ago, Turner Industries also established a relationship with Alaska, which initially provided 20 skilled workers who also were locally trained in welding. Another 90 Alaskans followed, working 34 days in a plant maintenance job. Of this group, about two-thirds of them continued to another company project in Wyoming before returning to their home state.

"There's so much for people with certain skill sets that it's sort of a gold rush," Toups says. "There is no one in Baton Rouge displaced by this. This is a good thing. It helps our economy. People come here to work and they shop and eat at restaurants. They don't want to stay here super long-term. It helps us as an industry, and these people are helping with the labor demands."