

East End again on hold over foreign workers



Jen Friebely of the Hampton Jitney company and Paul Monte of Gurneys Inn and president of the Montauk Chamber of Commerce, speak after a chamber meeting last month about the lack of legal foreign employees for the upcoming summer season. (Photo by Gordon M. Grant)

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At Gurney's Inn in Montauk, one of the largest private employers in the Hamptons, general manager Paul Monte is looking to the summer with high anxiety.

He's got popular cottages, suites and rooms to let. But if he doesn't have enough staff to clean the rooms, Monte can't rent them. He's got a restaurant and a cafe. But if there isn't enough wait staff and cooks, people will have to be turned away.

The serious problem of 2007 has become even worse in 2008, and it is national in scope: For years, an estimated 66,000 to 70,000 people have been allowed into the United States as temporary, nonagricultural workers on a federal "H-2B" visa. In each of the past three years, the number of H-2B visas granted increased substantially, due to a special exemption, rising last year to a high of nearly 130,000.

But for various reasons -- prime among them the debate over immigration reform -- those formerly allowed to come here under the program, regulated by the U.S. Department of Labor, cannot return unless Congress acts promptly.

So the hotels, inns, restaurants and landscaping businesses that have relied on those seasonal employees don't know how or where they will find replacements.

Monte's staff, for example, increases from about 200 full-time workers to 325 as the foreign nationals come in to work Gurney's busiest season.

"If I can't bump up my housekeeping staff by 30 percent in the summer, who's going to clean the rooms? If my dining room staff can't increase by 45 percent, who's going to wait on the tables?" he asked. "The more you think this through, the more you realize the impact this is going to have."

The same kind of potential worker shortages are a headache for luxury hotels in Arizona and Colorado, shoreline resorts in New Jersey and Cape Cod, and even a traveling circus in Texas.

"I don't think there is a broad understanding of the kind of havoc we are looking at. In my own district there will be terribly serious consequences," said Rep. Timothy Bishop (D-Southampton). "There are any number of sectors of the economy that are dependent on this workforce, and there are districts all across the country like mine."

Bishop's office estimates that businesses in his district, which covers the East End, employed well over 1,000 H-2B workers last year.

Under the H-2B program, workers prescreened by federal officials are allowed into the country to work for up to 10 months in jobs that their employers certify they cannot otherwise fill. An annual cap of 66,000 new workers on H-2B visas was imposed more than a decade ago. But, under an exemption passed by Congress that took effect in May 2005, any worker who had come into the United States under an H-2B visa in any of the three previous fiscal years could return and not count against the cap.

Congress did not renew the exemption for this year, causing the current dilemma posed by lack of returning seasonal employees. The nonrenewal stemmed from several reasons -- including strong opposition from the Congressional Hispanic Caucus, which views the H-2B program as a Band-Aid solution to comprehensive immigration reform.

"I can appreciate that many businesses -- from health providers to landscapers, and from the hospitality industry to the fishing industry -- need Congress to address H-2B visas," said Rep. Joe Baca (D-Calif.), who chairs the caucus. "I recognize that H-2B visa fixes are an important part of the immigration crisis, but that should be just another check mark in the column as to why this Congress must take real action on immigration reform."

With anxious constituents sending up flares, more than 90 members of Congress, both Republicans and Democrats, sent a letter to President George W. Bush in late January, imploring him to lift the cap through an executive order. So far, Bishop said, they have not gotten a response.

A White House spokesman said Friday that the request would require review by the Department of Homeland Security.

A House bill to renew the H-2B exemption is stalled in committee, as the time needed to process any additional H-2B visa applications grows short. "There is a general consensus that it has to be resolved by April 1 if it is to have any impact this summer," Bishop said.

Last year, East End business owners' nerves -- and bottom lines -- were frayed by an H-2B visa issue, but for a different reason.

Because of delays in processing H-2B workers' applications, landscaping businesses, restaurants, pool service firms and other seasonal businesses had to try frantically to find enough employees as the summer season began. Eventually, the foreign nationals got the visas, but businesses already had lost customers, incurred overtime costs and discovered that there was no local labor market to tap for replacement workers.

Pearl Kamer, chief economist for the Long Island Association, said the loss of seasonal workers would hurt the East End's economy at a time when more people are likely to be vacationing locally because of high gasoline costs and a weak dollar.

"Long Island economic growth has been extremely modest over the last year or so -- 5,100 new jobs in the 12 months ending in November," Kamer said. "Tourism is one of the few growth industries on Long Island."

Melinda Rubin of Hampton Bays, an immigration attorney who handles more than 60 H-2B applications a year, predicted a dearth of seasonal workers "will completely hurt Montauk. Most of the businesses out there will be shut off from workers ... that whole town is tourism."

Monte, from his oceanfront vantage point, considered the impact both on his inn and elsewhere.

"Everyone is pulling out their hair," he said. "This is forcing everyone in the country to compete for the same insufficient workforce."

Bob Sakaniwa, an associate director with the Washington-based American Immigration Lawyers Association, said Congress would have to take action within the next two to three months to address the coming H-2B worker woes.

"The whole issue of immigration reform has gotten so politicized this year. Businesses have been shut out, jobs will be unfilled," Sakaniwa said. "If that gets back to the folks on the Hill, it will help determine if they will deal with it."

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