



Summer in the Hamptons: Sun, Sand & a Labor Shortage

By V.L. HENDRICKSON

Staff Reporter of the Sun

May 5, 2008

An unwelcome visitor is heading to the Hamptons: a labor shortage.

While small businesses are abuzz about the summer season, which is expected to be particularly busy as New Yorkers eschew long road trips amid ever-increasing gas prices and Europeans look to spend their valuable euros on American shores, many of the area's most important visitors, the temporary foreign workers who staff summer jobs, will be missing. They will not be around this year because a rule that exempted them from a cap on work visas has expired.

"It's devastating," Alan Steil, the proprietor of the Montauk Bake Shoppe, which is struggling to fill a pastry chef spot and a grill cook job that had been held in previous summers by workers from Jamaica, said. "We are not going to fill the positions and things are not going to run as smoothly as we deserve, or as the tourists deserve."

Only 66,000 foreign workers are granted the H-2B work visas, which go to temporary nonagricultural workers. A rule expired in September that had allowed foreign workers who had held jobs in America in one of three previous years to return without being counted against the cap. The exemption is now caught up in the larger immigration debate in Congress, and its future is murky.

"Employers who benefit from the H-2B visa program range from hotels and restaurants to employers such as landscapers, retail shops, sports and recreation facilities, transportation services, and estate management," Rep. Timothy Bishop, a Democrat who represents the area, said during congressional testimony earlier this month. "In fact, most jobs in my district relating to the summer industry involve H-2B visas."

According to Mr. Bishop, the annual cap for these visas was reached on January 2, and consequently, "many family-owned small businesses that depend on such employees will be without the workforce they need to stay in business."

He added: "Without a returning worker exemption this year, many businesses in my district will be forced to dramatically scale back their activity, and as a result our communities will suffer."

Mr. Steil has decided to not serve lunch or soups this summer, and he plans to close the bakery in the early evening instead of at 10 p.m. Mr. Steil's son might come to offer summer help, but with a successful music career in Ireland, he is unlikely to contribute as much as a full-time worker. Faced with a summer of seven-day weeks, Mr. Steil is thinking about retiring and selling the bakery.

Despite Mr. Steil's woes, and Mr. Bishop's efforts to reinstate the exemption, "anything immigration-related is difficult to move right now," a spokesman for Mr. Bishop, William Jenkins, said.

Some experts say the solution for seasonal small businesses lies in recruiting American workers by visiting the local unemployment office, or even getting recommendations from neighborhood ministers.

"I can't find evidence that wages are increasing, which is what would happen if workers are short," the director of research at the Center for Immigration Studies in Washington, Steven Camarota, said. Not only are wages not increasing for American workers, he said, but the number of unemployed workers with a high school diploma or less is increasing. These are the people employers in the Hamptons should be targeting with their help-wanted ads, he said.

Mr. Steil said he attempted to do just that, with no avail. He said he spent hundreds of dollars on advertising this year, aiming to recruit American workers to the bakery. While he did receive more than 50 applications, most were not qualified, and he interviewed only one candidate. In the end, that candidate didn't work out because the chef didn't want to relocate. With the H-2B visa program, on the other hand, the bakery gets a skilled worker and a foreigner finds a job. "It's a win-win," Mr. Steil said.

Part of the difficulty in finding Americans to fill these jobs is that people who live in the area want to work year-round rather than just five or six months, a spokesman for the Southampton Chamber of Commerce, Robert Schepps, said. Housing is also a big issue, because while foreign workers may be willing to spend the summer in a cheap hotel room with two or three roommates, most Americans balk at this arrangement, Mr. Schepps said.

This summer will be a "perfect storm" in the Hamptons, with an increase in the number of tourists and a decrease in service, Mr. Schepps said. In fact, he is considering posting a sign in his bagel shop that reads, "Hurry Up and Wait," because they will be so short-handed.

"Customers will be screaming and hollering, and they might not come back in the future. Why go to Southampton if you can't even get a cup of coffee?"