

Monday, June 2, 2008

Local hotels attempting to import workers

by Courtney Bacalso
Midland Reporter-Telegram

- Temporary visa holders to take on local hospitality jobs and help fill the gap left by sub-3 percent unemployment.

By Courtney Bacalso

Staff Writer

While the current workforce shortage plagues every industry in the Permian Basin, Midland hotel owners believe they have a solution.

About 120 workers, mostly coming from Central Europe, soon will be working in Midland hotels, Midland Chamber CEO John Breier said Friday during the Midland Development Corp. meeting.

"Recruiting people to work below a certain job salary -- particularly in hospitality-type jobs -- has been challenging," Breier said. "So, we started looking at a wide range of companies that imports labor."

New Orleans-based Royal Hospitality Services LLC signed six contracts with local hotels to provide workers who will have temporary work visas.

The MDC and the Convention and Visitors Bureau facilitated the meeting between the company and local hotels.

"If the program works out, it will relieve some of the problems the people in our industry faces," local hotel owner Shakif Tejani said.

Among 10 hotels, there are about 350 positions needed, Breier said. That figure doesn't include the three new hotels set to open near the Scharbauer Sports Complex.

Tejani contracted with the company to bring in more than 50 workers for his two hotels -- the Plaza Inn and Hilton Midland Plaza.

Sometimes Tejani would have to close the Plaza Inn's bar early due to the lack of labor. The Plaza Inn lacked nearly 10 workers while the Hilton, Tejani's other hotel, lacked about 40, he said.

Tejani said the company became appealing because they took care of the visa process and housing.

Trying to get visa workers can be strenuous on an employer, Tejani said. Often, lawyers must be hired.

James Maclean, who started the company, said they can provide their clients with candidates ready for work in two weeks for anywhere between four to 18 months.

The company takes care of all paperwork including filing social security, federal and other taxes and all immigration requirements.

They also provide housing and transportation for their foreign workers.

"We looked at numerous companies," said Tracy Dau, who handles workforce labor at the chamber. "This was the only company whose didn't only do a segment of what was needed but rather completed the process full-circle for their clients."

Breier learned of the company while attending an event in Galveston. A friend, who managed Wyndham hotels in the area, told him about the company.

"It was by pure luck," Breier said. "They said they had been using the company for the past two years and were very happy with the work that was provided."

After talking to hotel officials who used the company, Dau and Breier met with local hotel owners to see what type of questions they needed to ask Royal Hospitality officials.

They then flew to New Orleans to meet officials and the workers who come from countries such as Armenia, the Republic of Georgia, Ukraine, the Philippines and Jamaica.

"It was important for us to spring onto the company a request to see where the workers lived," Breier said. "They immediately took us to several apartments where they are housed."

The workers ranged in the age of 20 to 30 years old, Dao said.

"We pride ourselves on how well we take care of our workers," said Maclean, who has been in the hotel industry for 23 years.

Maclean said he started the company because he noticed the hotel industry having a hard time hiring domestic workers.

"There was a hotel in Houston that had 150 openings for a whole year," he said. "This generation of Americans know they can make more money and aren't interested in hospitality jobs."

The foreign workers who have gone through his company come because they like the experience and the ability to make money to bring back home, he said.

Royal Hospitality has recruiters in countries where the workers originate. These recruiters conduct background searches in addition to finding people with the particular job skills, Breier said.

As part of the application for the temporary work visa, the U.S. embassies in these countries and the U.S. Citizen and Immigration Services both conduct additional background checks, Maclean added.

The workers also are required to already have health insurance, a round-trip ticket and must show the embassies they have attachments to their homeland and intend to come back, he said.

When they arrive in the states, Royal Hospitality officials meet them at the airport and take them to the housing they provide.

Maclean said his workers come on two types of visas: J-1 and H2B.

The workers arriving next week will have J-1 visas -- a travel and work visa.

The visa was designed to allow foreigners to come to the U.S., experience working here for about five months and travel the nation for a month before returning home.

"It's the equivalent of how Americans backpack Europe after finishing school," Maclean said.

In the next year, he anticipates using H2B visa holders -- which allows workers to come fill positions in industries that cannot find domestic workers.

Unlike J-1 visas, the USCIS only issues 66,000 H2B visas annually, a U.S. Department of Labor spokesperson said.

In 2007, 10 Midland companies applied for or used H2B visa holders for workers including Endeavor Energy Resources, Big Dog Drilling and Alldredge Gardens, according to the Foreign Labor Certification Data Center.

A nonprofit third-party used by Royal Hospitality to obtain the visas, Education and Employment Exchange Foundation, paid their H2B visa holders an average of \$7.12 hourly in 2007, according to the data center.

If the program proves to be successful, several local restaurants have expressed an interest in connecting with the company, Breier said.

"In our recruiting efforts, this was the most difficult slice of the pie to solve," Dau said. "With the unemployment rate at 2.7 percent, this company can help fill the gap Midland has."

Visas used by Royal Hospitality Services, LLC include:

J-1 exchange visitor visas: The "J" exchange visitor visa is for educational and cultural exchange programs designated by the Department of State, Bureau of Educational and Cultural Affairs.

The visa holder is also given a 30-day grace period to use for traveling.

There are no caps on the number of "J" visas issued annually.

H2B visas: This is a temporary work visa for non-agricultural workers.

The visa was designed to help fill the jobs where domestic workers cannot be found.

The federal government only issues 66,000 annually.

Source: www.dol.gov

Royal Hospitality Services LLC

Started: 1995

Founder: Jim Maclean, whose 23 years in the hotel industry includes opening three of the largest Eastern European Marriott hotels.

Headquarters: New Orleans

Locations of workers: Louisiana, Mississippi, Alabama, Florida, New Mexico, Arizona and Texas.

Origin of workers: Central Europe including the Republic of Georgia, Armenia and Ukrain; the Philippines; Jamaica; Nepal and Indonesia.

Web site: www.rhsusa.com.

The eight Midland companies that applied for or used H2B temporary work visa holders include:

- DG Construction
- ACME Energy Services, DBA Big Dog Drilling
- C&R Inspection Services
- Endeavor Energy Resources, LP
- Alldredge Gardens
- Turf Specialties, Inc.
- Russell Potter Companies, DBA Christmas Decor
- Masonry Soto

Source: Foreign Labor Certification Data Center