

HOSPITALITY IMMIGRATION REPORTS – AUGUST 2007

The American Hotel and Lodging Association and the National Restaurant Association, "in association with a coalition representing some 450,000 businesses," are urging Congress to pass comprehensive immigration reform legislation that will help the Hospitality and restaurant industries solve their labor shortages.

"We are facing a mounting labor shortage, and it is being felt in every congressional district across the country," said Marlene Colucci, AH&LA's executive vice president for public policy, in a statement. "Personal service is the lifeblood of the lodging industry. Unlike jobs in other sectors of the economy, these positions cannot be automated and cannot be outsourced. Hiring workers to fill critical service positions is one of the industry's most urgent issues."

According to the American Hotel and Lodging Association, the lodging industry employed more than 1,795,000 million in 2004. The restaurant and food service industry employs 13 million people with annual restaurant sales reaching more than half a trillion dollars. These numbers are growing at rapidly. [The Bureau of Labor Statistics predicts a 16.4% growth rate in hospitality jobs requiring close to 500,000 additional employees reaching over 2.1 million by 2014. The restaurant and food service workforce is expected to grow 15% or approximately 2 million jobs.](#)

Immigration, legal or otherwise, has a huge impact on the Hospitality industry. In order to succeed in the current market, HR professional and other industry leaders need to understand and keep up with current immigration developments. "Immigration is not the only answer, but it is a critical one for the hospitality industry" said Ms. Carol Rossi, CHRE, when giving a testimony before the US Senate Committee on Immigration Reform.

The relationship between Immigration and the Hospitality Industry

The interesting factor in this immigration debate is that most people have completely ignored the critical relationship between immigration and the hospitality industry. According to a recent data by the [Bureau of Labor Statistics](#), 1.6 million restaurant employees are immigrants and other foreign- born individuals. More than one quarter of food service managers were foreign born in 2003, making the restaurant industry an industry of opportunity that employs one of the most diverse cross-sections of people from different backgrounds and cultures.

A new report by the Center for Immigration Studies found that 7.9 million people moved to the United States in the past five years, the highest five-year period of immigration since the peak of the last great wave of immigration in 1910. Of the nation's 35.2 million immigrants, the new report estimates as many as 13 million of them entered the USA illegally.

For years, the US and state governments have turned a blind eye on the millions of low-skilled undocumented workers that entered the US illegally from Mexico, East Asia, Europe, the Caribbean, Central America and South America. Now, what to do with those illegal immigrants is the subject of fierce debate on Capital Hill.

Traditionally, the US has been a country of moderately high immigration. About 12.1 percent of the current US population was born in another country. Some estimates put the immigrant worker population in entry-level positions at US hotels and restaurants as high as 80 percent. The number of available jobs in the industry is projected to increase, yet the labor force ready to fill the jobs is projected to decrease. Employees are going to be hopping from one job to another and from one industry to another as never before. They will not be as efficient and effective as their predecessors were. Additionally, our workforce is an aging one. Many jobs are labor intensive and physically demanding. Many of these jobs are not appealing to American workers.

In order to be successful in meeting the staffing challenges, hospitality employers must be familiar with the current immigration system. They must support an immigration reform that will meet the increasing demand for labor, provide status for those immigrants already in the country, and allow those who qualify to work in jobs for which Americans can not be found.

Hiring foreign workers - Special visas for the Hospitality Industry

Why hire foreign workers?

There are certain jobs that employers are having a difficult time filling. These are jobs in the following industries: Healthcare, IT, Biotechnology, Science, Engineering, Education, Hospitality and Construction. Employers might find the pool of foreign candidates is larger than of the U.S. workers, making it easy to fill urgent openings.

Foreign workers tend to be reliable and loyal employees. They do not switch employers as often as U.S. workers do, as their visas are employer specific. Foreign workers tend to appreciate the sponsoring U.S.

employer and tend to develop a long employment relationship most of the time.

Having foreign employees as part of your staff can create diversity in the workplace, a chance to learn from your employees and open up to new ideas. Employees that speak several languages can make a difference for companies wishing to compete in the global marketplace.

How to hire?

The process is very similar to hiring US workers. Employers will apply regular recruiting strategies and techniques. The main step involved with hiring a foreign worker is applying for some type of a work visa. Those employers that often hire foreign workers report that the process is not that complicated and the benefits are far greater than the burdens. There are many visas to choose from. There are at least six temporary business visas that a company can apply for, depending on the circumstances of the hire.

Quick Guide for Employers

If you have not researched this area before, you may be thinking in terms of getting a 'green card' (Permanent Residency) for your staff. Unfortunately, 'green card' applications usually take a long time, so even if this is the ultimate goal, you will probably need to begin by applying for a temporary work visa. Once the candidate arrives in the U.S. on the U.S. non-immigrant visa, you can begin working on the long term project of arranging the green card.

If you are going to need someone for less than six months, a sensible first question is – can the project be done by someone on a visitor's visa (or visa-waiver), or will I need to get a 'proper' work visa? Visitor visas in the U.S. are called B1 or B2 visas.

The other 'easy way out' is if the candidate you want to hire is a Canadian or Mexican. Treaties between the US, Mexico, and Canada mean that it is far easier to get a work visa if the candidate is Canadian. Unfortunately, Canada suffers from many of the same skills shortages as the U.S., so you will probably need to look at the 'mainstream' visa types for non-Canadian citizens. Please see our overview of NAFTA visas below.

The table below provides an 'at a glance' summary:

Visa	Designation	Uses	Max. Stay
B1	Business Visitor	For business people making sales, conducting negotiations, attending meetings and seeking investments.	6 months
H1B	Specialty Occupation Worker	For individuals having the equivalent of a US bachelor degree (Foreign degrees and/or work experience may be found to be equivalent to a US bachelor degree).	6 Years
L1A	Intra Company Transferee	For executives or managers who have worked for at least one year in the past three for a foreign parent, subsidiary, affiliate, or branch office of the US company that will employ them.	7 Years
L1B	Intra-Company Transferee	For specialized knowledge employees who have worked for at least one year in the past three for a foreign parent, subsidiary, affiliate, or branch office of the proposed US employer.	5 Years
J1	Exchange Visitor	For professionals trainees to train with US employers.	18 months
H2B	Temporary workers	For workers coming to work for a limited duration, Hospitality and other shortage occupations.	Max 3 years
'TN1/2'	Canadian/Mexican Professional	For Canadian/Mexican professionals and managers.	Indefinite (1 year increments)

Conclusion

Immigration is a positive thing for the U.S. economy and it does not harm the American worker. Immigrants provide a critical piece to the nation's economic success. They provide a willing and able supply of Labor, which enables the Hospitality industry to continue its economic growth. In a labor-intensive industry such as hospitality, locating quality employees and remaining in compliance with immigration laws remains essential to the success of many companies in the industry.

Hospitality companies should not shy away from foreign workers. Using foreign workers can assist companies in solving worker shortages, finding the "best and the brightest" young talent and creating an international atmosphere to attract a particular clientele. Hospitality companies should use the immigration rules as one part of a broader strategy to employ a stable and effective workforce while steering clear of potential legal liabilities.

Restaurant owners and Hospitality managers may want to consider investing in immigration solutions for their workers. At first glance, the legal expenses may seem off the beaten track and a weak investment to some employers. In our analysis, the savings from potential delays and staff shortage are dramatic when compared to the expenses for legal

support in order to obtain and maintain a legal hospitality workforce. In addition, this type of investment in workers can help build loyalty and increase worker retention as you will be directly providing tools that give your workers a "leg up" on the competition.

Immigration issues present special challenges to the Hospitality industry. Owners and managers need to recognize and respond to this challenge to succeed in today's growing Hospitality industry.