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Oregon reports \$24M in fraud

0.3% of unemployment claims were fraudulent

Bill Poehler
Salem Statesman Journal
USA TODAY NETWORK

Oregon is getting its first glimpse of the scale of fraud perpetrated against the state's unemployment insurance system during the height of the pandemic.

A report released by the state's employment department says it paid out more than \$24 million in fraudulent claims in 2020, the first 10 months of the COVID-19 pandemic.

Oregon overall paid \$7.4 billion to 581,000 people in 2020, meaning about 0.3% of the claims were fraudulent.

"The good news is that Oregon has not seen losses on the scale of some other states," Unemployment Insurance Division Director Lindsy Leahy said.

Details of the fraud included:

- \$11.2 million to 3,335 people in reg-

ular unemployment claims.

- \$4.4 million to 385 people from the pandemic unemployment assistance program, which is for the self-employed.

- \$825,000 to 421 people from the pandemic emergency unemployment compensation program.

- \$196,000 to 135 people from the extended benefits program.

The state also said it overpaid 2,198 people \$5.9 million and that it has recovered \$1 million of that.

A law passed in the 2021 legislative

session allows the employment department for five years to wave overpayments caused by unintentional errors.

While other states have been forthcoming about the amount of fraud perpetrated, Oregon Employment Department acting director David Gerstenfeld until now has repeatedly declined to publicly discuss the amount of fraud that occurred on the state's unemployment insurance system.

Gerstenfeld cited the department's

See **FRAUD**, Page 4A

'POOR' CONDITION



Construction work continues on the Silverton Road Northeast bridge over Little Pudding River in Salem.

ABIGAIL DOLLINS/STATESMAN JOURNAL

Oregon gets \$268M for bridges under Biden infrastructure law

Tracy Loew
Salem Statesman Journal
USA TODAY NETWORK

Oregon will get \$268.2 million over the next five years to repair its failing bridges, part of the \$27 billion in federal funds President Joe Biden announced would be invested in repairing bridges nationwide.

Oregon will get \$53.6 million for fiscal 2022. That's a little less than half the \$120 million per year the state already spends on bridges.

Oregon Department of Transportation officials will decide how to allocate the money.

"Even though we are getting an in-

See **BRIDGES**, Page 3A



There are 395 bridges in Oregon in "poor" condition, according to 2020 data from the U.S. Department of Transportation.

Food service industry faces changes

How Mid-Valley restaurants are working with labor shortage, hiring issues

Em Chan
Salem Statesman Journal | USA TODAY NETWORK

In Salem's food service sector, is there really a labor shortage or a surplus of non-working employees? Somehow, both.

The number of folks quitting their industry job is at an all-time high, yet because of robust growth in the last year and a half, the number of folks in the food industry is just 1,100 jobs - or 8% - from its pre-pandemic levels, as of November 2021.

This rebound is coming from the "greatest employment low that occurred between February to April 2020 - from 13,800 to 8,000 jobs," said Patrick O'Connor, regional economist (Marion, Polk, Yamhill, Linn and Benton counties) for the Oregon Employment Department.

Since then, 4,700 jobs have been added back, but despite this good news, working in this industry has never been more difficult.

Food service has "a quits rate of 6.9% - more than twice the overall quits rate of 3.0%," O'Connor said.

Amongst the news of "The Great Resignation" as reported by USA Today, the declining number of folks in service jobs continues to leave an impressionable mark on the industry - including Salem.

"I think Salem's labor market conditions are similar to Oregon and the U.S.," O'Connor said. "In November 2021 the Salem metropolitan statistical area (MSA) unemployment rate was 4.1% nearly matching Oregon and the U.S. which both had a 4.2% unemployment rate."

The issue of whether there is a "labor shortage" is difficult to encompass in just a single-worded answer, but comes in two-fold: from the perspective of employers and of employees.

No service

On the ground, the reality of the situation is more difficult to explain than the data can display.

Mina Khamphilavong, owner of Mina's Cafe, said she can't find employees, or if she can that sometimes they don't show up because they're sick from COVID or have to care for someone else that's sick - leaving her already short staff even more shorthanded.

The issue has gotten to a degree that the emptiness of the restaurant has left customers calling and asking if she's open, when really it's just Khamphilavong working by herself. On some occasions, she said, her customers feel so bad at her working without staff, they'll jump in and pick up a phone or two to take orders.

"We all have the same problems," Khamphilavong said. "(Thai and Laotian) food is already hard to cook - not everyone can put it together - so we (as owners) end up having to work a lot. We also have to end up hiring whoever is available because we need the people, and the person we hire is not always meeting our usual standard. This affects my service, then customers think the service isn't good but it's because our help isn't good, and it becomes a chain."

Others say the industry is in need of a reboot.

"I think if people want what's happening right now to stop happening, we need to start treating people

See **LABOR**, Page 4A



Jaleaha Wright, 18, works for Black Joy Oregon as an alternative program to community service. Wright has learned administrative duties, joined the Black Joy Tour and submitted testimony during the 2021 session. ABIGAIL DOLLINS/STATESMAN JOURNAL

An ongoing alternative approach to juvenile reform

Dianne Lugo and Virginia Barreda
Salem Statesman Journal
USA TODAY NETWORK

There are 400 kids on probation at any given time in the Marion County Juvenile Department.

Jaleaha Wright, 18, was one of them. She entered the juvenile system last year after getting into a fight with a girl who, she said, had spit at her. It was the first time she had ever gotten in trouble.

See **JUVENILE REFORM**, Page 4A



Owner Mina Khamphilavong prepares salad rolls in Mina's Cafe kitchen. BRIAN HAYES / STATESMAN JOURNAL

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