

Labor shortage

Hospitality industry prepares for busy summer

Story by Edward Stratton & Emily Lindblom
Coast River Business Journal

Employers in the tourism industry are struggling to get workers amid a labor shortage caused in part by generous unemployment benefits lasting until Labor Day. State economists in Oregon calculated that state and federal unemployment benefits combined equaled \$16.75 an hour, or \$34,840 a year.

Seaside hotelier Masudur Khan tries to keep a staff of around 100 housekeepers employed year-round in a seasonal industry, while adding about 10% to 15% during the summer tourism rush. This year, that means paying his employees at least \$16 an hour into September.

“There’s no option, because there’s demand and less supply,” he said. “It’s economics, and they have the power. If you hire them for \$14 or \$15 (an hour), after one week of training, they say, ‘I’m going to go to the other hotel, because they’re offering me more, unless you match it.’ If you match it, then what’s going to happen? You have 100 other employees, and you have to match. So it’s really difficult to manage.”

Northwest Oregon Works, a regional workforce board, named the hospitality industry as a major sector of the regional economy, as it is the second largest private sector in the state behind health care.

Arica Sears, deputy director of the Oregon Coast Visitors Center, said that designation is important because it commits the workforce board to work with organizations like hers in order to address the needs in the industry.

“There’s a huge need for growth,” Sears said, adding that businesses and hotels have been adding incentives to entice people to work for them. “We hear a lot about referral and sign-on bonuses, increased wages and housing to come work there.”

Sears said there’s a mismatch happening between vaccinated people excited to get back to normal and the hospitality industry struggling to keep up.

“Because of the workforce shortage our industry can’t just go back to normal right now,” Sears said. “We want customers to remember to be patient and kind and thank their servers because they’ve had a really rough year with layoffs.”

Oregon recently tightened requirements for unemployment, requiring recipients to be actively searching for work. The state has not intend to end the federal unemployment



PHOTOS BY HAILEY HOFFMAN/THE ASTORIAN

CLOCKWISE: People explore the beach at sunset in Seaside. People line the streets of Seaside. People cross the street near the Turnaround in Seaside at sunset.

