

## Wage shortage? Worker shortage? Restrictions lifted, but Berkshire restaurants face hiring struggles

- By Danny Jin, The Berkshire Eagle
- Jun 25, 2021



The waitstaff rushes between tables during the lunch rush at Otto's Kitchen & Comfort in Pittsfield. Restaurant owners say they have not returned to the staffing levels necessary to accommodate the summer rush of diners as the Berkshire economy puts coronavirus restrictions in the rearview.



Chris Boudrow, right, gives new hire Jacob Rosen tips on operating the kitchen's finicky stove on Rosen's first day at Nudel. Some restaurant owners attribute their hiring difficulties to an additional \$300 per week in unemployment benefits set to expire in September; others see truth

in different explanations, including that some workers found employment elsewhere or decided that they aren't ready to return to an industry in which many see the jobs as high-stress and low-paying.

Nudel is one of many restaurants having trouble finding help.

Waitress Erica Williams bounces between tables and the bar during the lunch rush at Otto's. Owner Luke Marion is "really lucky" that all his workers returned after all but one had been laid off during the coronavirus pandemic, he said.

Noah Bartlett checks tickets and prepares orders in the kitchen during the lunch rush at Otto's. The hospitality and leisure sector, which includes food service, hotels and entertainment, suffered greater job losses than other sectors during the coronavirus pandemic and has not gained employment in recent months as smoothly as others.

Tickets pile up during the lunch rush at Otto's.

At Otto's Kitchen & Comfort in Pittsfield, some diners ask why there is a 30-minute wait, even though they see empty tables. In Lenox, The Olde Heritage Tavern and Firefly Gastropub — they typically are open seven days a week during the busy summer season — often get questions about why they now close two days out of the week.

Locals and tourists have flocked to restaurants after more than a year of a public health crisis and [dining restrictions](#). But, restaurant owners say they have not returned to the staffing levels necessary to accommodate the summer rush of diners.

Luke Marion, who owns Otto's, said he wants to stay open until 8 p.m. but currently closes the restaurant at 2 p.m. because he is short-staffed. Patrick's Pub in Pittsfield normally serves 50 tables but is down to 14.

Some restaurant owners attribute their hiring difficulties to an additional \$300 per week in unemployment benefits set to expire in September — a narrative that economists have challenged.

Others, though, offer different explanations, including that some workers found employment elsewhere or decided that they aren't ready to return to an industry in which many see the jobs as high-stress and low-paying.

"To do it because they are tough is the language of those of us who have done it and think that's the only way," said Bjorn Somlo, owner of The Lantern Bar & Grill in Pittsfield and Nudel in Lenox. "But, ultimately, you can't work 40, 50, 60 hours a week and struggle to pay your bills and feel good about it."

Some economists suggest that the labor market has changed. Before the pandemic, they argue, bills and living costs compelled many workers to take jobs that suited employers' needs more than their own. With more jobs to choose from and federal assistance helping some to pay the bills, more workers have the freedom to say no to jobs that don't fit their long-term needs.

At Otto's, Marion is "99.9 percent sure" that his hiring challenges are a result of expanded unemployment benefits, he said, although he doesn't blame cooks who aren't coming back to work.

He can't blame the government, either, he said, because his restaurant has received tremendous help through Paycheck Protection Program loans and other grants. Having worked in a kitchen since his teenage years, Marion had consecutive days off for the first time during the coronavirus pandemic, he said.

"If you're making an extra \$300 a week on unemployment, why wouldn't you?" Marion said. "I'm sure there are a lot of cooks out there who think, 'This is great. This is amazing. I can pay my bills right now, and I can take a break.' That's good for them, but the rest of us are really struggling to get through it."

Colleen Taylor, who co-owns three restaurants in North Adams, said she had such a shortage of applications coming across her desk that she drove to an apartment complex to find workers. She hired three people that way.

“We wouldn’t have been able to open [without those people],” Taylor said of the newly opened Craft Food Barn. “Everyone would’ve been working double time.”

### **Wage shortage? Worker shortage?**

The hospitality and leisure sector, which includes food service, hotels and entertainment, suffered greater job losses than other sectors during the pandemic and has not gained employment in recent months as quickly as others.

The Massachusetts economy employed 3.5 million people as of April, just short of the more than 3.6 million people it employed in February 2020, according to Bureau of Labor Statistics data. But hospitality and leisure employment crawled back up from pandemic lows to just under 280,000 workers, well below the 380,000 jobs the industry had before the crisis, according to the data.

Also, people are quitting their jobs at a higher-than-average rate, a sign that workers are confident in their ability to land a comparable or better job in the near future. A preliminary estimate from the [Bureau of Labor Statistics](#) shows that 2.7 percent of U.S. workers left their jobs in April. The rate had stayed at or below 2.3 percent at the same time in the years since the Great Recession.

The 5.6 percent quit rate among accommodation and food services workers was more than double the national average.

“A wage shortage, not a worker shortage” might be responsible for the restaurant industry’s hiring challenges, suggested [a May report](#) from One Fair Wage, a nationwide organization of service workers and restaurant employers seeking to improve wages and working conditions.

In that report, 53 percent of restaurant workers surveyed said they were considering leaving their job, although 78 percent of all respondents said a “full, stable, livable wage” would be a reason to consider staying. Many cited concerns about hostility from customers and issues with coworkers or management.

A South County resident, who asked to be identified as Abby, said that the pandemic has offered restaurant workers a chance to take a step back and think about their futures. Abby, who has worked as a cook and waitress, attended training sessions this past year for a variety of occupations, including health care practitioner and yoga teacher, they said.

“I think a lot of people for the first time had a chance to pause and assess what their time and their well-being was really worth,” Abby said.

While companies across the board are hiring — health care was the industry with most Berkshire County openings in May, with 400 — the county also has seen a relatively slow recovery in hospitality employment, said Shannon Zayac, manager of industry relations for the MassHire Berkshire Workforce Board, which works to connect employers and job-seekers.

“Either [former restaurant workers] found somewhere else to go — they reskilled and found new employment — or they’re not ready to come back yet,” said Zayac, who added that [lack of affordable child care](#) has taken millions of women out of the workforce. “I do think that there are probably a few people who aren’t looking, and that’s for whatever reason.”

Most studies by academic economists have found little to no evidence that expanded unemployment benefits held back people from getting jobs. A [July study](#) by Yale University researchers concluded that when the CARES Act expanded unemployment benefits by \$600 a week, workers who experienced larger increases in benefit generosity did not leave employment at a greater rate when the expansion occurred.

University of Massachusetts-Amherst economist Arindrajit Dube [found](#) that when the added \$600 a week temporarily expired, there was “little impact of job gains from the benefit reduction.”

While the higher unemployment benefits might offer workers more financial stability as they seek a suitable job, they do not necessarily offer those who are unemployed the ability to live in luxury.

A worker who made \$14.57 per hour, the median salary of a food service worker in Massachusetts according to the Bureau of Labor Statistics, would receive just under \$600 a week in unemployment benefits, including the added pandemic assistance. A living wage in Berkshire County for two working adults and one child, as estimated by the [Massachusetts Institute of Technology](#), is \$16.88 an hour, the equivalent of about \$675 a week.

The week of June 15 was the first during which Massachusetts workers faced a [work search requirement](#) that had been suspended in March 2020.

MassHire has seen a “big increase in activity” at its workshops and job clubs in the past month, said Melanie Gelaznik, executive director of the MassHire Berkshire Career Center. Many workers might have been waiting for the school year to finish to ramp up their searches, Gelaznik said, but she sees the recent increase as “a good sign that people are aware that this pandemic is nearly over and that they’re going to have to start looking for work.”

■  
Ryan McIntyre, the chef de cuisine at Nudel, readies food. For Nudel and The Lantern Bar & Grill in Pittsfield — they are restaurants owned by Bjorn Somlo — the relaxed coronavirus pandemic restrictions presented a chance to make up ground from business lost during the pandemic, but a rapid reopening would have been a big ask for the workers, Somlo says.

STEPHANIE ZOLLSHAN — THE BERKSHIRE EAGLE

Team players After a year that Somlo described as “intense” and “emotional,” Gov. Charlie Baker [moved up](#) the expiration date for coronavirus safety restrictions by more than two months.

For Nudel and The Lantern, the restaurants Somlo owns, the relaxed restrictions presented a chance to make up ground from business lost during the pandemic, but a rapid reopening would have been a big ask for the workers, he said.

“Some people were all about it, and the rest of us said, ‘We’re tired,’” Somlo said. After discussions among staff, both restaurants opted to hit the reset button, closing for about two weeks before returning to business.

Those in the restaurant industry tend to use the language of “team” and “family” to describe their staff.

At Otto’s, Marion said that he actively seeks out team players. That means, for instance, he would prefer to hire an unskilled cook in the fall rather than a skilled cook who has been unemployed for 18 months, since he fears being “stranded again if it becomes more attractive to be unemployed than employed.”

Marion considers himself “really lucky,” since every single one of his workers returned, after all but one had been laid off during the pandemic, he said.

“That’s what we’ve built at Otto’s,” Marion said. “It’s a family, and we all understand that if there is no Otto’s, you don’t have a job.”

Working with a close-knit team can’t pay the rent, but it can provide a sense of purpose and belonging, said Abby, the South County resident and former food service worker.

Abby said they entered food service because “those were the jobs that were available to me” as someone who does not have the physical ability to work in landscaping, one of the other main options for employment in South County. But, they appreciated the chance to engage with other workers and community members.

“I really loved food, and I really loved facilitating that experience for people, and I, for a long time, wanted to work in as many food service places as possible because I wanted to open my own restaurant,” Abby said, although they added that the emotional stress and financial resources necessary to own a restaurant were major barriers.

Some restaurants can and do succeed in balancing a culture of teamwork with respecting workers’ needs, Abby said. But, at some jobs, managers’ expectations of personal sacrifice can send a message to workers that “everybody just has to suck it up and be all hands on deck,” Abby said. One of their bosses even threw objects at workers to discipline them when upset.

Requesting a day off during the summer was unheard of, Abby said, “because you’re expected to maximize profits for the employer for four months.” While Abby would consider returning to work at a coffee shop under the right circumstances, they do not expect to go back to a restaurant or catering business.

“It’s not that people don’t want to work,” Abby said. “It’s that they want to work and be respected.”



Workers also make sacrifices in the short term to pay the bills in later months. During the summer, when the customers are many and the tips are flowing, workers push themselves to work all the hours they can, relying on those paychecks to get through the rest of the year. The seasonal variation adds to a feeling among some that they are seen as a class that exists to serve others but become expendable when the demand for service wanes.

“We shouldn’t be surprised that they’re saying, ‘No, man, we would like to have a reasonable life, too,’” Somlo said. “We [as employers] want to hire the kitchen equivalent of Usain Bolt, and they want them to stay forever, but that’s not fair to the people we’re hiring, and that’s not the world we live in.”

Some owners, though, don’t believe arguments that the industry isn’t a pleasant place to work.

“I wish I was a cook for hire right now because I have my pick from any restaurant in Berkshire County right now, and I can basically name my price,” Marion said. “But, nobody is out there doing that.”

### **Seeking solutions**

Hiring challenges have pushed some employers to advertise sign-on bonuses in an effort to attract job-seekers.

Marion listed a bonus when he posted an opening for a line cook on Indeed, but he did not disclose the amount because he did not want to brew “bad blood” between existing cooks and potential newcomers, he said.

Among the few applications he has gotten, Marion added, people have tended to lack the two years of professional kitchen experience he is looking for. He could train someone in the fall, but it’s harder to do so now, with heightened demand already here.

“We’re busy now, and I can’t hire and pay someone \$18 an hour to be a body who I have to hover over at this point,” Marion said.

Taylor co-owns three North Adams restaurants: Freight Yard Pub and Restaurant, Trail House Kitchen & Bar and Craft Food Barn. She said she has hired almost everyone who has applied for jobs, although many of them are new to the industry. For whatever reason, open jobs seem not to be reaching those who are looking for them.

The three people who Taylor hired from approaching them directly, she said, serve as evidence against “a preconceived notion people don’t want jobs.”

Many restaurants have found success in recruiting younger workers, such as high school students. While owners say those workers have been a big help, state labor laws do not allow workers ages 14 to 17 to work late at night, when some restaurants need dishwashing help.

To make things work with limited staff, many restaurants have left tables open, and some have stopped takeout orders when busy with in-person diners. That can be difficult to explain, several owners said.

For Somlo’s restaurants, moving away from a full-service model might be a long-term change. Diners still can give workers a holler if there is anything they need, but they will, for the most part, be left to enjoy food and drinks with fellow diners at large tables.

Estimates put the average restaurant’s profit margin at 3 to 5 percent for full-service and 6 to 9 percent for fast-casual. Costs — for rent, ingredients, labor and more — [have gone up](#). While some restaurants have increased meal prices, many owners point out that pricing is restricted by what customers expect to pay. And what customers pay for full-service dining does not always reflect the full cost of serving that food, including air conditioning, music and labor.

Amid the hiring struggle, there have been [calls from within](#) and outside the industry for turning present challenges into learning experiences to make restaurant jobs more appealing.

“Employers and governments need to work to make these jobs more livable,” said Lydia Wood, executive director of the Western Mass Area Labor Federation. “That may mean increased wages and advance notice for scheduling changes through legislation.”

This moment might be an opportunity, Wood says, to transform a difficult industry into something better for workers.

*The Eagle’s Francesca Paris contributed to this report.*

Danny Jin, a Report for America corps member, is The Eagle’s Statehouse news reporter. He can be reached at [djin@berkshireagle.com](mailto:djin@berkshireagle.com), @djinreports on Twitter and 413-496-6221.