

BUSINESS DAY

People With Service Jobs Feel Economic Pain Early

By HILLARY CHURA APRIL 27, 2009

Hotel jobs have long offered a first step on the economic ladder to immigrants and people without a college education or work experience. But the steep drop in travel that started last fall has hit hotels hard and, in turn, buffeted already vulnerable workers.

Many housekeepers, bus boys, dishwashers, doormen, valets and customer service agents have either lost their jobs or are working significantly fewer hours.

In some cases, hotels have laid off workers and hired them back as independent contractors, without health insurance and other benefits. The fortunate have picked up other odd jobs at their current hotels, while some have scrambled to cobble together equally low-paying second and third positions elsewhere.

Carrie Tucker, a hotel housekeeper in Detroit, said she earned \$9.17 an hour. Pushing a 150-pound stocked cart, she cleans 16 to 22 rooms a day when the hotel has guests and she is not called off from work. She said that her hours were whittled to fewer than 36 a week from 40 late last year and that she was behind on her rent and her gas and electricity bills.

“I’m stressed out every day I go to work,” Ms. Tucker said.

Daniel Tjhin Chin said he was demoted in November to hotel telephone operator, from night manager at the Sacramento Marriott Rancho Cordova, and his weekly hours were cut to 32 from 40. Four weeks later, he was laid off.

“I understand the recession, the crisis and the impact on the industry,” he said “I feel bad for whoever owns that hotel, but I hope I get a job as soon as possible because I’m running out of money.”

The hotel layoffs, said Lalia Rach, dean of the Tisch Center for Hospitality, Tourism and Sports Management at New York University, have had an inordinate impact on workers who were already living paycheck to paycheck — large percentages of women, minorities, immigrants, single parents and welfare-to-work participants.

“They are the vulnerable, but they are also what we built our country on,” Ms. Rach said. “As paychecks decline or go away, there is going to be a ripple effect on families who are living on the edge. It’s going to cascade into taking away the American dream in its entirety.”

Hotel workers generally have less education than the American work force as a whole — 19.1 percent have no high school diploma, versus 8.8 percent of the total work force. Their wages last year were lower as well — their median hourly rate was \$9.78, while the national rate for all workers in all industries was \$15.10, according to the Bureau of Labor Statistics.

And while 8.8 percent of workers in the United States were unemployed in the first quarter of this year, the jobless rate for hotel employees was 11.7 percent, according to the bureau. The figures do not count those still employed but working fewer hours.

Nor has there been much hiring. From July 2007 through February 2009, hotel industry job listings were down 28 percent, according to Simply Hired, a national online job search engine. Demand for valets was down 33 percent, housekeepers almost 50 percent and waiters 86 percent.

Hospitality employment may not bounce back until the beginning to middle of 2010, according to Adam Weissenberg, who leads the tourism, hospitality and leisure practice in the United States at Deloitte, the accounting firm. Other experts are even more pessimistic, predicting no rebound until the middle to end of next year, at the earliest.

Catherine Parker, who has a customer service job at the Marriott in San Jose, Calif., was able to cover her expenses with her pay of \$15 an hour and consistent overtime. But she could save nothing. Late last year, when her overtime dried up, she said she found a job as a customer service representative at a shopping mall. Now, she works 40 hours a week at the hotel and 20 at the mall.

Van Valiant has managed to hold onto his job by participating in retraining programs and making himself as indispensable as possible. He started waiting tables at the Wyndham Garden Hotel in Austin, Tex., in May 2008. By fall, his hours were cut to 32 a week. He asked to be trained in other areas. Now the hotel's food and beverage supervisor, he can tend bar, cook, work at the hotel's front desk and do night auditing. He is back up to 40 hours a week, with frequent overtime.

"It's very easy to find another server," Mr. Valiant said. "It makes sense to make yourself more valuable so that they don't want to get rid of you."

At the South Point Hotel, Casino and Spa in Las Vegas, Amy DeVincentis, a parking attendant, says colleagues take turns leaving early when it is slow so that pooled tips go further.

"We understand that there are certain people that can't leave early because they need the extra money, because they do have a mortgage," Ms. DeVincentis said. "No one gets upset if they really need to work their hours. We're all in this together."

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