

‘We’re competing with unemployment’

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Job vacancies at Fresquez Companies have numbered in the dozens for the past several months.

With few applicants and nearly 80 open positions, the company – which owns and operates multiple restaurants in New Mexico, including both locations of Mac’s Steak In The Rough and airport eateries like Black Mesa Coffee Company – decided extra incentives were needed to bring in applications.

Eventually the company landed on offering a \$500 sign-on bonus for every new hire.

“I think part of it is, it’s almost like we’re competing with unemployment,” administrative assistant Dory Nuñez said. “... Why would anybody want to, I guess, start at a minimum wage job when they can be earning more money ... on

unemployment?”

Fresquez Companies isn’t alone in the struggle to find employees.

Help wanted signs are cropping up in the windows of many restaurants and businesses around the city and state.

“It’s a big struggle,” Twisters COO Bahjat Shariff said. “People are making a lot more money being unemployed than employed, and the world is coming back to dine-in and eat-in a little bit at a time, so the stimulus really paused people applying to jobs.”

Shariff said the company is looking to hire 50 employees, but referral bonuses, sign-on bonuses and other incentives have yet to attract a large applicant pool.

“The additional money that people are getting while they’re unemployed, plus the fact that they don’t have to seek jobs as they normally would, is creating a difficult environment for people wanting to hire,” said Ernie C’deBaca, president and CEO of the Albuquerque Hispano Chamber of Commerce.

State unemployment benefits range from \$90 to \$484 per week, and a recently passed federal COVID-19 relief package provides an extra \$300 weekly for unemployment recipients until early September. In New Mexico, work search requirements are waived for those receiving state benefits.

The state has yet to announce when the requirement will be reinstated.

Even as the state begins to re-open under the Red to Green Framework, New Mexico remains a leader in unemployment.

In March, the state’s unemployment rate sat at 8.3%, with sectors like the hospitality industry experiencing a decrease of 18,400 jobs compared to the previous year.

As business leaders and business owners echo similar concerns that added unemployment benefits and a lack of work search requirements are driving low application rates, a viral online photo is bringing additional attention to the issue.

A photo posted on Twitter by KOB reporter Patrick Hayes showed a sign at an Albuquerque Sonic that reads “We are short staffed. Please be patient with the staff that did show up. No one wants to work anymore.”

The post garnered thousands of likes and retweets with some commenters expressing sympathy with businesses experiencing similar issues and many others who blamed low wages and poor working conditions for the lack of employees.

When asked if Gov. Michelle Lujan Grisham was aware of the difficulty some businesses are having with hiring, a representative from her office said the governor has worked to make small business support widely available.

“The governor and her office are in frequent communication with the business community around the state and will continue to encourage them to make the most of these important support programs,” Governor’s Office spokeswoman Nora Meyers Sackett wrote in an email. “State agencies, including the Department of Workforce Solutions, are preparing to ramp up training and re-

entry programs for displaced workers, and the administration will continue to stand up for workers and expand their opportunities throughout our economy.”

Meanwhile, some workers’ rights advocates say businesses shouldn’t blame workers for not wanting to apply for jobs in the current climate.

“Essential workers have risked their lives to keep New Mexico running during the pandemic,” OLÉ Education Fund executive director Matthew Henderson said. “Some have decided, however, that the risk to their family’s health is not worth the poverty wages and lack of benefits that many employers offer. Don’t fault workers for refusing to be exploited.”

Hiring incentives bring little reward

Even with the \$500 sign-on bonus at Fresquez Companies, Nuñez said the company’s hiring fair last week only resulted in eight to 10 new hires.

“Basically we’ve been posting our jobs everywhere, we’ve been trying to get the word out as much as possible, but we’ve had a really, really slow time trying to get people to apply,” Nuñez said.

The lack of applicants has meant that some of their businesses, like the Village Inn in Rio Rancho, remain closed and several of the other restaurants are operating under shortened hours.

“We’re having to have our restaurants be at limited hours, or we have to cut them short or delay our plans for reopening them, because we just can’t get people in,” she said.

Nuñez said the hourly wage for Fresquez Companies starts at minimum wage, but can increase depending on experience.

She said this is the first time the company has ever experienced a hiring shortage to this magnitude, and prior to the pandemic the company regularly hired several people each week.

Shariff said Twisters has experienced similar issues like closed dining rooms, slower service and the inability to take large orders.

“A lot of our general managers, assistant managers, and full-time employees are working overtime, working six days a week, seven days a week sometimes,” he said. “It’s not ideal, and we’re trying to prevent it.”

Other companies in the metro area have also recently taken to job fairs in order to fill a slew of open positions.

McDonald's restaurants held a hiring fair early this week to fill 350 positions at 50 locations across the state. M'tucci's restaurants also recently held a hiring fair in order to fill 25 to 30 positions, but only hired eight to 10 people.

"I think it's pretty easy to connect ... unemployment benefits to it," M'tucci's president John Haas said. "I think a lot of us feel like a lot of people have chosen not to go back to work yet, because they're still receiving the benefits."

Haas said he is not expecting to see more applicants until added unemployment benefits run out later this year.

Even with fewer employees than he would like, Haas said the restaurants are still running smoothly and servers are able to earn more tips with the smaller staff.

It's not just the food industry that is experiencing a dearth of applicants.

C'deBaca said that while the hospitality industry seems to be struggling the most when it comes to filling positions, other industries like construction are also experiencing difficulty hiring.

Ivan Medina, owner of Magni Contractors, said that as a landscape business, it is already fairly difficult to find employees due to the demanding nature of the work.

"It's harder even now because obviously they are getting paid pretty good with unemployment, and I mean, is there really any reason to work," Medina said.

He said he didn't receive any applications until he signed up with New Mexico Workforce Connection, which provides services for job seekers.

C'deBaca said the added unemployment benefits combined with the removal of the job search requirement has most likely fueled the lack of applicants.

Other complications, like potential unfairness to existing employees when offering new employees financial incentives and tight business margins especially for smaller businesses, can make it difficult to attract applicants, he said.

C'deBaca said the Hispano Chamber and the City of Albuquerque are working together to create a job fair next month to address the situation.

Twisters is holding a job fair Tuesday and Wednesday for team members and management, according to the company.

- On Tuesday, the event for prospective team members will be held from 8 a.m. to 11 a.m. and 3 p.m. to 6 p.m. at 2435 Southern SE in Rio Rancho,

3240 Coors NW, 2235 Wyoming NE, 9358 Eagle Ranch NW and 425 Eubank NE. • Each interviewee will receive a gift and each person hired will receive a \$50 sign-on bonus.

- On Wednesday, the company is holding its management hiring event from 12 p.m. to 6 p.m at 425 Eubank NE.
- ARCA, which provides support for people with disabilities, is hosting a job fair between 10 a.m. and noon every Wednesday at 11300 Lomas NE. The nonprofit is looking for direct-support workers, nurses and other employees. For more information, visit www.ARCaopeningdoors.org.