

Winter 2-2023

Hospitality Stakeholder Group Report, February 2023

Maine Department of Labor

Hospitality and Food and Beverage Industry

Workforce Recommendations & Report to the Joint
Standing Committee on Labor and Housing
February 2023

*Submitted by
Maine Department of Labor*

MAINE
DEPARTMENT OF
LABOR

Hospitality and Food and Beverage Industry Workforce Recommendations & Report to the Joint Standing Committee on Labor and Housing

The following document summarizes the discussion and recommendations created by a group of stakeholders convened per [Resolved 2022 Ch. 165](#). Passed in the Second Regular Session of the 130th Legislature, the Resolve requires the Maine Department of Labor (MDOL) to convene a stakeholder group to examine workforce development issues in the Hospitality and Food and Beverage industries.

Stakeholder Group Membership & Staff:

- Greg Dugal- Director of Governmental Affairs, HospitalityMaine
- Derek Fassett- Director of Education & Workforce Development, HospitalityMaine
- Cathy Stackpole- Executive Director/CEO, Ferry Beach Retreat & Conference Center
- Maureen LaSalle- Chair of Culinary Arts & Hospitality at Southern Maine Community College
- David Turin- Chef/Owner, David's Restaurants
- Chris Morley- Owner/Brewer, Mason's Brewing Company LLC

Resolve Requirements	
❖	Meeting 1: Examine, using existing data and resources, economic conditions in the State and trends in the hospitality industry and food and beverage industry and the effect workforce development has had on these industries
❖	Meeting 2: Examine workforce development training programs, including the existence of such programs, the value such programs add to employees of the hospitality industry and the food and beverage industry and whether there is a greater need for such workforce development training programs.

MDOL staff to the workgroup were Dillon Murray, MDOL Legislative Liaison, and Kim Moore, MDOL Bureau of Employment Services Director. Presentations were made by Glenn Mills of the Center for Workforce Research and Information, Kim Moore, Libby Stone-Sterling of the MDOL Bureau of Rehabilitative Services, Maureen LaSalle, and Derek Fassett.

This document does not reflect a commitment to implement the findings and recommendations but is a list of suggestions as the workforce needs are studied and addressed. This document represents the views and perspectives of those participating in the workgroup and does not necessarily reflect the position or opinion of MDOL or any of the organizations participating represented in the stakeholder group.

Demographic and Economic Context:

The Workgroup began by examining workforce and economic data trends related to the hospitality and food & beverage industries, as presented by Glenn Mills of the MDOL Center for Workforce Research and Information (CWRI).

Workforce conditions were near full recovery from the COVID-19 pandemic in the fall of 2022. The number of nonfarm jobs began to reach new highs and unemployment was below four percent in the latter part of the year. Labor force participation remained below pre-pandemic rates and job openings rates were historically high, the combination making for a challenging hiring environment for many businesses.

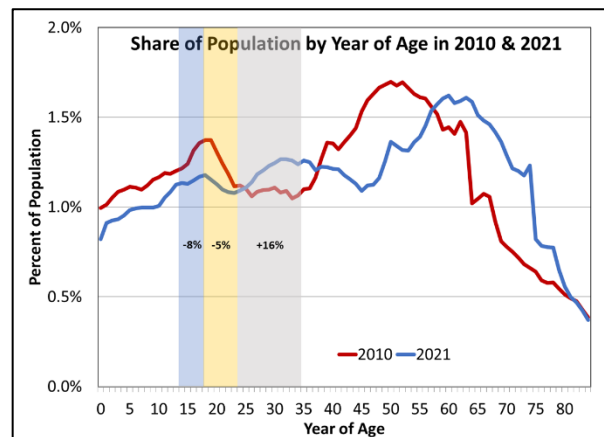
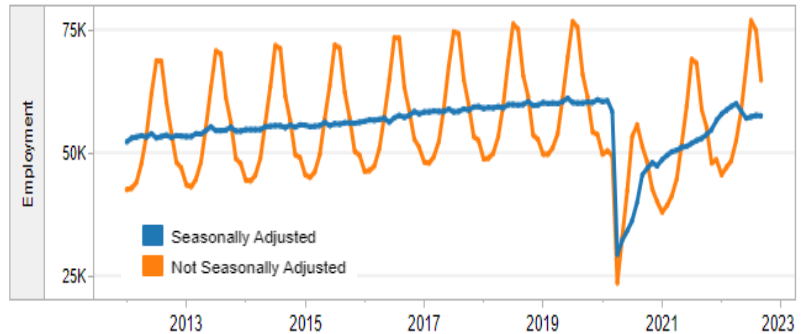
Job loss at the onset of the pandemic was larger in accommodation and food services than for any other major industry in Maine. By the fall of 2022 the industry was mostly recovered but continued to have two to three percent fewer jobs than three years earlier.

Summer tourism drives sharp seasonal swings in accommodation and food services jobs. Maine's seasonal swings are much larger than for other industries and are larger than occur for the industry in nearly all other states.

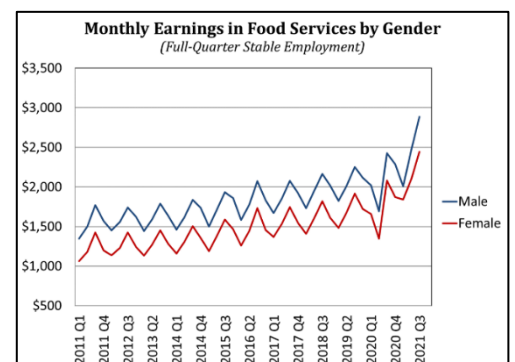
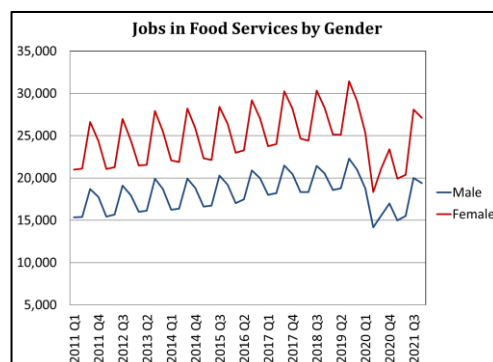
The workforce in food services is relatively young and the surge in demand typically starts earlier and extends longer than summer school break for students. During the industry's jobs recovery from the pandemic, employment has not recovered among those 25 to 34 as much as it has in other age cohorts. This likely exacerbates staffing challenges in the periods before and after summer school break. Teens have comprised an increased share of jobs in the recovery.

Over the last decade the population age 25 to 34 increased 16%; the number of younger people is less and has been decreasing as a result of fewer births year by year. The industry's staffing challenges may increase in the years ahead if they continue to rely so heavily on young people for staffing.

Among those age 25 to 34 who lost a job in food services at the onset of the pandemic, 43% were reemployed in the industry two years later. About one quarter did not appear in wage records. Others gained jobs in healthcare, retail, manufacturing, and other industries.



Females consistently held about 58% of jobs throughout the last decade. Among those age 25+ most have a high school diploma or less than a bachelor's degree. Earnings spiked for both males and females during the pandemic era. The gender gap decreased from 79% in



2011 to 86% in 2021. Among sectors, hourly earnings and weekly hours increased fastest in hospitality in the last year. Hourly earnings were 75% of the private sector average and hours were 84%.

Worker Training and Resources:

In the second meeting, the workgroup explored available training and support for those interested in or looking to move to the next step in hospitality and food & beverage industry careers. Discussion was centered around programs available to workers and employers through [Maine CareerCenters](#) like customized recruitment events, assistance with customized job postings, connections to “[earn while you learn](#)” opportunities, programs to support new and current workers to gain skills and industry recognized credentials, and benefits of the [Maine JobLink](#)- MDOL’s no cost job board for Maine employers.

- ❖ [Registered Apprenticeship Program](#): structured yet flexible training programs designed to meet the specific needs of Maine employers through on-the-job learning and related classroom instruction.
 - Current industry related apprentice-able occupations include Events Planner/Manager, Sous Chef, Cook, Kitchen Manager, Line Cook, Restaurant Manager, Institutional Food Services Cook.
- ❖ **Workforce Innovation and Opportunity Act (WIOA) programs for youth, adults, and laid off workers**: Federally funded employment and training programs prioritizing in-demand occupations in the three local workforce area (Northeast, Central Western, Coastal). Eligible participants can receive support for tuition/training costs, classroom supplies and tools, supportive services like transportation, childcare, and other barriers to training and work. Also supports paid work experience and On the Job Training.
- ❖ [Competitive Skills Scholarship Program](#) (CSSP): Provides funding and support services for eligible Maine residents to pursue two and four-year degree programs or employer recognized credentials leading to high-wage, in-demand jobs in Maine. Available supports include tuition/supplies/tools, childcare, transportation, computers, emergency needs, and training stipends for full time students below 125% of the poverty level.
 - CSSP supports training/industry recognized credentials for Chefs and Head Cooks, Supervisors of Housekeeping and Janitorial Workers, Supervisors of Retail Sales and non-Retail Sales Workers, Marketing Managers, Industrial Production Managers, Food Service Managers, General and Operations Managers, Meeting/Convention/Event Planners, Sales Representatives, Transportation/Storage/Distribution Managers, Lodging Managers, etc.
- ❖ [Division of Vocational Rehabilitation and Division for the Blind and Visually Impaired](#): Comprehensive assessment of rehabilitation needs for people with disabilities; individualized plan for employment including career planning and advancement, training and education, support services such as transportation and job coaching, assistive technology, work-based learning including job tours and paid work experiences, direct job placement; coordination and collaboration with other workforce system partners and technical assistance to employers.

Training programs and credentials to support the hospitality and food & beverage industry include:

- ❖ **Maine Community College System**:
 - 10 credit online Hospitality program including ServSafe, Introduction to Hospitality, Lodging Operations, The Guest Experience
 - Registered Apprenticeship aligned curriculum for Line Cook, Hospitality I & 2, Events Planner Kitchen Manager, Lodging Manager, Restaurant Manager
 - Additional training opportunities include:

- Online Culinary Training through [Rouxbe](#)- an online learning platform that optimizes the learning experience through video, assessments, and instructor interaction, students are able to advance their culinary skills and knowledge
- [WelcomeMe 2.0](#) in partnership with the Maine Office of Tourism
- ServSafe on site
- Peer to Supervisor Training
- Conflict Management Training
- Guest Service Training
- Culinary Bootcamp
- Offerings are credit/workforce based- can be grant funded through [MCCS Workforce Training](#) opportunities

❖ **HospitalityMaine:**

- HospitalityMaine established a strategic workforce plan at the end of 2021 covering 7 priorities:
 - Connection with Primary & Secondary Education
 - Connection with Higher Education
 - Job Training & Workforce Development
 - Connection to Diversity & Disadvantaged Communities
 - Continuing Education
 - Research & Development
 - Developing a Strong Education Foundation Team
- Pursuant to these guidelines, HospitalityMaine have established the following over the course of 2022:
 - Applied for and received \$749,000 grant through MDOL to create and foster apprenticeship opportunities
 - Development of community engagements with higher education institutions such as MCCS, Husson, USM, etc.
 - Created 8 new apprenticeship programs bringing total offerings to 10:

Lodging:

- Hospitality Services 1 (Front Desk Clerk)
- Hospitality Services 2 (FOH Manager/Assistant GM)
- Lodging Manager

Culinary:

- Line Cook (Variations include ROUXBE offered through WCCC and culinary curriculum offered through MCCS in general)
- Sous Chef
- Kitchen Manager
- Restaurant Manager

MISC:

- Events Planner
- Accounting Technician
- Certified Workforce Development Professional (intended for HM apprenticeship staff to better serve members)

- Partnered with Maine Tourism Association on the Maine Career Coalition and launching the Maine Tourism Jobs job board. This is a low-cost job board (discount offered to association members) option that is geographically limited to Maine and industry limited to tourism & hospitality
- HospitalityMaine is prepped to launch an extensive marketing campaign with two key audiences in mind:
 - For the general public, they've partnered with WGME (CBS 13 & Fox 23) at the gold level of their Work with M.E. campaign to promote general awareness of the hospitality industry with emphasis on its importance to both our state economy and state identity
 - Internal to their members, HospitalityMaine is partnering with Take Flyte Media to develop a creative and compelling narrative on why apprenticeship is a viable workforce development and training model.

- The grant is supporting three full time staff (one still to be hired):
 - Director (hired – Derek Fassett)
 - Two Apprentice Navigators with specific focused
 - DEIA (already hired – Lionel Nima Ngapey)
 - Youth (Interviewing)
- When the staff roles are filled, HospitalityMaine will be in a position to fully develop the partnerships that have begun to increase pipelines into the hospitality industry. Examples include:

Diversity, Equity, Inclusion & Accessibility (DEIA)

- Bureau of Rehabilitation Services (BRS)
- Maine Medical
- Maine Dept. of Corrections (MDOC)
- Recovery
- ELL / New Mainers / Asylees / etc.
- Adult Education

Youth

- CTE schools / High Schools
- 2-year / 4-year colleges with related academic programming
- JMG
- Junior Achievement
- Skills USA
- Learning Works / Youth Build

At the culmination of the second meeting, the workgroup came to the following conclusions:

- ❖ The available training programs are adequate with regard to scope and accessibility; however, awareness is a challenge as programs can be isolated.
- ❖ Opportunities are needed for employers to learn skills/develop methodology to re-imagine the industry, address “job quality” challenges and ultimately attract more workers.
- ❖ State government/MDOL can help foster relationship building in a meaningful way through a “clearinghouse” of resources for employers and promotion of resources.

Stakeholder Recommendations

- ❖ Develop and effectively market a single clearinghouse website- a one stop “nerve center” for all opportunities including wrap around services, programs, and training that can triage workers and employers, and assist in exploration of career pathways. Focus on user centered design- integrate employer feedback early in the development process.
 - *The workgroup members acknowledge and support current efforts underway to provide such a comprehensive resource via the Maine State Workforce Board’s WorkSource Maine portal and the MDOL development of a virtual CareerCenter as supported by US Department of Labor grant funding.*
- ❖ Continue to address housing issues through increased housing density and investment in more housing units.
- ❖ Continue to address transportation- particularly “last mile” transportation strategies for workers like the existing Kennebunkport/Sanford shuttle service. Also mentioned was continued work with public transportation to increase public transportation coverage and hours of operation to reduce non-service days and time periods.
- ❖ MDOL should continue to collaborate with the Department of Education career exploration work in the schools to ensure awareness of opportunities and career pathways in hospitality and food & beverage industries.

The Maine Department of Labor is committed to serving Maine workers and businesses by helping employers recruit and train a talented workforce, providing workers with skills needed to compete in our economy, assisting individuals when jobs are lost, aiding people with disabilities reach career goals, ensuring safe and fair workplaces for people on the job and providing research and analysis of employment data to support job growth.