

USVI Faces Skilled Labor Shortages as Immigration Crackdown Affects Workforce

With undocumented workers avoiding jobs due to federal enforcement, Senator Hubert Frederick urged VIDOL to upskill local workers. VIDOL Commissioner Gary Malloy noted that action can only be taken when employers report vacancies.

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The federal government's continued effort to clamp down on undocumented migrants has – perhaps expectedly – created gaps in the workforce as illegal immigrant workers fail to turn up at their jobs for fear of legal repercussions. One local lawmaker is now imploring the V.I. Department of Labor to move swiftly to upskill the population to meet the needs of employers.

“I don't know if you're aware of some businesses that were closed or had to abbreviate their schedule recently because of the lack of workers,” said Senator Hubert Frederick during Friday’s meeting of the Committee on Education and Workforce Development. “I need to know what's in place to cover the shortages. They shouldn't be working anyway. We're aware of that, but the point is, they were and we need to fill the gap,” he continued.

However, VIDOL says they are only able to act once an employer notifies them of vacancies. “Once an employer has a vacancy, that's the way we know that you have needs. Once those needs are posted, then the Workforce Development team actually kicks into action,” VIDOL Commissioner Gary Malloy explained. The response did not quite satisfy Senator Frederick.

“I know the Legislature had problems finding hotel rooms on St. Thomas because of when the action started...the hotels couldn't prepare the rooms. They had no workers,” Mr. Frederick recalled, speaking of [initial enhanced activity](#) by Immigration and Customs Enforcement agents shortly after President Trump's inauguration. Speaking to the lawmaker's specific example, Mr. Malloy explained that any individuals trained or upskilled in hospitality have already been absorbed into the job market.

“We've done about 18 career fairs already throughout the year,” shared Mr. Malloy. “You mentioned undocumented, and so in some cases, those positions aren't posted,” he told Mr. Frederick. VIDOL asserts that there’s only so much they are able to do.

As the territory tries to accelerate the rebuilding process following the 2017 hurricanes, the need for skilled workers – [particularly in construction](#) – has become more apparent. Federal policies on immigration have spurred the Government of the Virgin Islands to beef up [lobbying efforts](#) for the relaxation of visa rules, and local workforce development entities have been urged to work with the local population to prepare them for potential opportunities. The need for workers seems even more acute when considering the territory's [remarkably low unemployment rate](#) – a metric Governor Albert Bryan Jr. regularly points to as both a sign of economic health for the territory and a challenge to the success of the recovery efforts.

However, as Mr. Malloy noted during the discussion, the current 3.2% unemployment rate in the territory does not capture everyone in the Virgin Islands who is out of work. Only individuals of working age who have actively looked for employment in the past 4 weeks are counted as part of the statistic, which is based on one particular labor underutilization report – U3, as termed by the U.S. Bureau of Labor Statistics. “There's a large segment of the population that has not been included in those numbers,” the labor commissioner said. “We have mechanisms to capture them, but they're known as marginally discouraged or discouraged,” he continued, responding to a question from Senator Dwayne DeGraff.

As Senator Kurt Vialet put it, the reported unemployment rate is “not a real reflection of what’s going on in the Virgin Islands.” He is convinced that the true proportion of able-bodied, working age people without jobs is “probably close to 20%.” However neither he, Senator DeGraff, or any of his colleagues asked the labor commissioner to provide official data on the numbers of discouraged or marginal workers in the community.

Without probing for the reasons an individual may choose to stay out of the job market, Vialet merely bemoaned the phenomenon. “We have so many individuals, grown adults, that refuse to seek employment, refuse to seek any type of vocational training, refuse to seek any type of education,” he fretted. Growing increasingly impassioned, he reminded listeners that “a community is based on individuals who are willing to join the workforce and contribute to that

community.”

“If we just continue to have a bunch of guys that just flatly refuse to be trained, flatly refuse to work, flatly refuse to engage in anything, it's hard to move the community to the point where you want it to be,” advised Mr. Violet.

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