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DID YOU KNOW??

THE ECONOMY AND THE POSSIBLE EFFECTS ON SMALL BUSINESSES

We added 263,000 jobs in April, continuing an unprecedented run of jobs growth as the unemployment rate fell to 3.6%, a near 50 year low. The economy has now added jobs every month for 103 months in a row, the longest streak of job creation since records began. The unemployment rate is now the lowest it has been since December 1969. Wages rose at an annual rate of 3.2% in April, the ninth consecutive month of growth over 3%.

This is not totally good news for small businesses that comprise the vast majority of U.S. companies. “Owners are trying to hold on to the employees that they have in a highly competitive labor market,” a March survey from the National Federation of Independent Business said.

They’re not always succeeding. The survey found that although 60 percent of respondents said they were hiring or trying to hire, 54 percent found few to no qualified applicants for those open positions. More than one in five said difficulties in finding workers was the top problem facing their business, and nearly two in five said there were current job openings at their companies they could not fill.



“Small businesses often are limited in the amount of wage increase they can offer, so the fact that we’re seeing rising wages is really a sign of how tight the labor market is and how hard it can be for small businesses to find qualified workers,” he said.

With the unemployment rate this low it becomes crucial to retain your best staff. To do this and attract new talent we recommend that your pay attention to pay rates, offer benefits and opportunities for continued growth and have updated technology which furthers employee success.

For more information and/or a consultation on this topic contact Anthony@reitmanpersonnel.com 203-488-6944.

Excerpts from 24x7 Martha C White