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June 2018

DID YOU KNOW??

BUSINESSES CAN'T FIND WORKERS

(Unemployment rate is 3.9%)

A Federal Reserve survey recently released found labor shortages all over the country. The survey showed that worker shortage increased significantly at the end of last year. More businesses are saying they have to pay more to attract and keep the workers they want, a sign that wage growth may finally be picking up. In several of our direct hire positions candidates have had multiple opportunities and strong counter offers.

**WE'RE
HIRING!**

We are definitely in a candidate short market. Many of our clients have already experienced this phenomenon and are struggling to handle the consequences. They sometimes don't move quickly enough to hire and a good candidate is lost.

Companies are also losing out on business. Although this is not an immediate problem for the economy, it could hurt economic growth over the long term.

Census Bureau projections show the overall U.S. population, a rough proxy for the country's demand for goods and services, growing faster than the workforce— which supplies those goods and services— through 2030 and probably beyond. From 2017 to 2027, the nation faces a shortage of 8.2 million workers, according to Thomas Lee, head of research at Fundstrat Global Advisors. It's the most substantial shortfall in at least 50 years, on a percentage basis, according to his calculations



The labor shortage is a unique sort of problem—easily predictable years ago but still a surprise. That's largely because of the 2007-09 recession, which sparked a longer-than-usual employment slump. The jobless rate was above 5% for more than seven years, during which labor was cheap and abundant. Employers had little incentive to prepare for tighter labor markets by upgrading their machinery or processes, which might have boosted productivity.

For more information on this topic contact Anthony@reitmanpersonnel.com. 203-488-6944.

Excerpts from Avi Salzman, March 9, 2018