

HELP

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Add in \$1,400 for dependents and a couple with a family of four collected \$5,600. Then add in unemployment guaranteed through September, and the problems start becoming apparent for employers.

“This may very well mess up the entire labor market for our area for the full second quarter,” Voegele said.

Express Employment uses a number of job boards to help place workers. During one recent week, one of those boards, Indeed.com, showed 5,500 open jobs in its service area and 36,000 fewer resumes from which to choose people to fill those positions.

“We’ve got several hundred people that we employ throughout the Metro East, each week, spread out over a hundred different companies that we work with and have people at each week. Every one of them is screaming for more people. I can put 150 people to work right away with the orders we have,” Voegele said.

A cross section of jobs is involved, “from unskilled up to plant managers and everything in between,” he said.

Voegele has spent a lot of time crunching the numbers to make the point that the stimulus may be too much of a good thing for hard-pressed businesses.

“If you look at just the unemployment stimulus, workers who are making \$15 an hour are collecting 60 percent of their wages via unemployment benefits. That’s about \$360 a week. Plus, an extra \$300 a week in the stimulus benefit, for a total of \$660 net each week through September 2021. Workers also get a tax break on the first \$10,500. That’s 16 weeks of free money.”

The average worker in the above scenario is making “a pretax wage of \$21.50 an hour for staying home,” Voegele said.

A company’s culture in terms of pay and benefits may help retain people, but to attract reliable and capable workforce the wages have to be higher these days, he said.

Businesses that Voegele deals with share a couple of opinions about the more recent stimulus actions. One is that politicians are simply buying votes. Another is that the stimulus is a backdoor way to get the minimum wage up to \$15 an hour.

So, what happens with some businesses if workers don’t come back? Closures, in some cases.

“I have a friend who owns a restaurant. They’ve got customers complaining to them. Either they are out of a particular item, because they are out of inventory, or the service isn’t fast enough because they’re understaffed. They can’t get the inventory because the manufacturers have the same kind of labor issues. I’ve had customers send employees home for the day because they couldn’t get inventory to make the product or they are drowning in completed product because they can’t get the truckers in to ship it out.”

Today’s drama might reflect tomorrow’s reality in terms of how the workforce handles recruitment, he said. The situation is devaluing the need for potential employees to have substantial experience, education or stellar background. Many workers are being hired on the spot, without much checking.

“Those (standards) are becoming much more relaxed than they were before,” Voegele said.

Companies are resorting to hiring “a breathing body” in hopes that the

person will show up for work and stick around long enough to be trained.

The idea of getting rid of sub-standard performers is suddenly less attractive than investing more time in those same employees.

A major, regional issue is approaching, local experts agree, as warehousing and big regional employers open, adding to the competition for hires.

“Our average pay rate for our company is over \$15 an hour,” Voegele said. “Our clients who are looking to fill unskilled or no skill positions are fighting with each other, raising pay rates, just to get people to come into work.”

Fuhrmann said the Madison County department posts job openings two ways. It is uses a network of 200-plus agencies throughout the St. Louis region to spread the word, places like sister workforce sites, libraries, social service agencies and others. It also posts the jobs online, Facebook, Twitter and LinkedIn.

In the first two weeks of April, Employment & Training had postings from about 40 employers and around 175 jobs listed in the service area, which includes Madison, Jersey and Bond counties.

“We’re talking about everything — hospitality, restaurants, the gaming industry, supply chain logistics jobs. Pickers, packers, heavy equipment operators,” Fuhrmann said.

One disincentive to returning workers is their continued health insurance coverage while unemployed. The government is paying for 100 percent of their Cobra health insurance costs through the end of September. Many people seek employment because of the need for health insurance.

The end of the September benefits, the return of school, and the confidence in the safety of the workplace will all contribute to things getting smoother this fall, Fuhrmann said.

Madison County Training & Employment is also having difficulty finding people to participate in its training programs for the same reasons, he said.

The department was awarded \$1.5 million to train 100 people in a grant awarded by the Illinois Department of Commerce and Economic Opportunity as part of the U.S. Department of Labor Employment Recovery funds.

“We have millions of dollars available to spend on people for training, and we’re not getting them in. We have a resource room where people can come in and work on their resumes and do job search or career exploration. We’ve done things by appointment since we came back (from a long office closure). We have 80 slots available and the most we’ve seen in a week is about 20. Most weeks we’re under 10.”

The big push from Fuhrmann’s end is to get participants into the programs now while things are slow.

“We have short-term training programs, six to 12 weeks; we’ve got six-month programs if someone wants to go back and finish their associate’s or get certificates at the college. If they are halfway through their bachelor’s degree, we can pay for the last two years of their bachelor’s degree.”

Participants can still receive unemployment because they are receiving the funds through department and the Workforce Innovation and Opportunity Act.

The first person to go through the program had not yet acquired all the badges and already had a full-time job, Fuhrmann said.

“She’ll end up with the certification and badges as she works, and on our end we’re paying on-the-job training funds, so we’re reimbursing 50 percent of her wages to her employer for the first six months she works. It’s a win-win for everybody,” he said.

A few weeks ago, the department had its first employer back on the premises doing an interview in person, after the long pandemic dry spell.

“Hopefully, we’ll see more employers using our facility to do their interviewing,” he said.



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