



HR Strategy Series: 2020 Updates/Trends

Headline:

How will recent trends in unemployment levels and Covid-19 related law expirations impact employer's abilities to recruit and retain the best talent?

The Federal Unemployment Rate:

- September fell to 7.9%, down from 8.4% in August. Since April, the jobless rate has tumbled from a peak of 14.7%.

The Arizona Unemployment Rate:

- August fell to 5.9%, down from 10.7% in July (and a low of 4.5% in Jan/Feb).
- September rate not yet released.

Other Items of Note:

- Effective Jan. 1, 2021, through Dec. 31, 2021, Arizona's minimum wage will increase to \$12.15/hr.
- The unemployment supplement of \$600/week ended July 25th and the additional \$300/week (made available through executive action) ended mid-September. Arizona's maximum unemployment payout is back to \$240/week.
- The Families First Coronavirus Response Act (FFCRA) requires certain employers to provide their employees with paid sick leave or expanded family and medical leave for specified reasons related to COVID-19 if effective through December 31, 2020.
- The Executive Order signed by Governor Ducey which extended a moratorium on residential evictions expires on October 31, 2020.
- Coronavirus Aid, Relief, and Economic Security Act providing deferral of student loan payments was extended until December 31, 2020.

Implications?

- The ability for employers to find and retain good employees still continues to be a top challenge!
- It's difficult to know the true impact Covid-related legislation is having on the talent pool. Things feel very stagnant right now.
- Even with the expirations in unemployment supplements, many \$12-18/hour positions continue to remain unfilled.

The Takeaway:

- As the war for good talent continues, employers should continue to invest in employee engagement strategies and good HR infrastructure to retain their best people.

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