



## Georgia's Growing Labor Crisis

We all know that Georgians have an incredible work ethic and want to work. As we continue to recover from this pandemic-induced recession, we are hearing from a growing chorus of small business owners, agricultural leaders, managers in retail, manufacturing and nearly every industry sector across the country concerned about the lack of available workforce.

In 2020, Georgia saw a record 40% annual increase in the number of economic development projects announced. Our economy has quickly rebounded thanks to a balanced pandemic strategy coupled with record-high consumer spending, including everything from cars to houses. Retailers cannot keep certain items in stock and factory orders are piling up. Because they cannot find labor, businesses are starting to turn down orders, raise prices, and some are even considering ***closing permanently***. Many restaurants are only offering drive-through, pick-up service, not because of COVID, but because they cannot find enough workers to support full-scale operations.

Our job creators are doing their part. They are raising wages, offering incentives, competitive benefits, shift flexibility and work-from-home options when possible. In addition, job fairs are popping up on every corner. The truth is that there has never been a better time to enter the workforce than today. ***Employers are offering more to entry level employees than ever before.***

Here, over 231,000 Georgians are on unemployment, but over the last 90 days, Georgia businesses have reported at least 406,000 job openings. Getting those men and women connected to employers and back to work is the first step. Second, we must address long term labor shortages in the agriculture, hospitality and high-tech sectors while helping our students prepare for a very different job market when they graduate. Compared to previous years for the same time, the current number of job postings is nearly double, proving that our conditions are unprecedented and require creative solutions.

In the short-term, we suggest that the state of Georgia:

1. Suspend additional federal unemployment benefits and direct available funds to a statewide job signing bonus program or other back-to-work initiative that helps match jobs to job seekers. This will incentivize Georgians' return-to-work efforts.
2. Require unemployed Georgians to actively seek employment while drawing benefits.
3. Redirect federal funds to support our technical colleges and universities in rapid re-training and certification programs that upskill our labor force for new economy jobs. Of course, we should allow these Georgians to continue collecting unemployment benefits as they re-train on a ramp-down timeline.
4. Eliminate the outdated Federal Self Certification Declaration checklist for unemployment insurance and return to a robust qualification process.
5. Utilize existing federal funds to improve the appeals process and address childcare benefit needs. This will clear out the backlogs in our Department of Labor so that more workers can exit the system and find meaningful work to support their families.

In the long-term, Georgia needs to aggressively pursue coordinated efforts that improve the talent pipeline, for example:

6. Build on the momentum of Governor Kemp's needs-based scholarships to help more first-generation, low-income students find career success.
7. Develop a federal bipartisan solution to our existing H-1B, H-2A and H-2B worker visa programs that ensure Georgia companies and agricultural producers have the talent needed to meet growing demand.
8. Support the work of the Georgia House of Representatives Maximizing Global Talent Study Committee which will examine current regulatory burdens as well as opportunities for upward mobility and prosperity.
9. Finally, prepare our students to compete in the new economy by improving and coordinating our talent pipeline through a review of Georgia's education delivery system that focuses on entrepreneurial training, upskilling, life-long learning, STEM and evolving 21<sup>st</sup> century skills.

The statewide business community is ready and willing to partner with government leaders, educators and every man and woman who wants to work. Undoubtedly, this will require one of the largest concerted efforts in our nation's history as we work to overcome our setbacks and simultaneously plan for a more resilient future together. Let's get to work, Georgia.

Georgia Chamber of Commerce  
American Council of Engineering Companies of Georgia  
Georgia Agribusiness Council  
Georgia Association of Convenience Stores  
Georgia Association of Manufacturers  
Georgia Chemistry Council  
Georgia Construction Aggregate Association  
Georgia Farm Bureau  
Georgia Forestry Association  
Georgia Highway Contractors Association  
Georgia Mining Association  
Georgia Paper & Forest Products Association  
Georgia Poultry Federation  
Georgia Transportation Alliance

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