



## North Carolina is Facing a Workforce Crisis Job Creators and their Employees Need Solutions Now, Not Later

In recent months, economic trends have pointed to a growing labor shortage nationwide, as quit rates have climbed above pre-pandemic levels and the 266,000 new jobs reported in the U.S. Bureau of Labor Statistic's latest [jobs report](#) fell far short of the roughly one million projected by many economists.

Employers throughout North Carolina, small and large, are reporting severe problems filling open jobs and even getting applicants to respond to interview requests and job offers. A recent survey by Western Carolina Industries found that, of 51 employer responders, roughly 90 percent reported more difficulty hiring this year compared to last year. Job creators are reporting this trend across industries, and in fields where well-paying jobs with promising career potential are the norm. Even more concerning, this labor shortage is causing slowdowns and price hikes throughout our supply chains and forcing some businesses to close due to a lack of workers, putting more North Carolinians out of work.

**On behalf of the job creators we represent, representatives from the undersigned organizations have held a continuing dialogue with officials from both the executive and legislative branches to identify a workable path forward on this issue. While we are deeply disappointed to have learned there appears to be little willingness among some leaders to end our reliance on federally funded enhanced unemployment programs – which many economists have pointed to as a likely factor delaying a return to work for some claimants in state unemployment insurance (UI) systems – we remain committed to working with state leaders to find expedient solutions to this crisis.**

North Carolina's economic relaunch is at stake, and we need bold solutions now, not later. Right now, as businesses emerge from the pandemic to compete for a wave of newly unleashed demand and as many industries stare down a summer season that holds their highest earning potential, it is vital that we empower North Carolina's businesses to grow, and our economy to thrive.

A broad range of potential workforce solutions remain on the table, from strengthening support for out-of-work parents by directing more COVID relief funding toward key childcare and education priorities, to increasing

work search requirements for UI claimants to ensure those who can work are doing their due diligence to find a job – and many other solutions besides. We are considering them all as we engage with state leaders.

It is important to remember that North Carolina's employers pay virtually all the taxes that support our state UI programs. And since they pay these taxes on a per-employee basis, decisive action that returns more individuals to work sooner will support a more solvent UI fund that can better serve the needs of all stakeholders in North Carolina. This includes those North Carolinians who might seek UI support in the future. Moreover, since UI rates can soar when the balance in our state's UI reserve drops below certain thresholds – and they can skyrocket if we drop below the debt line, as we did after the Great Recession – solutions that help us preserve the balance of this fund will keep more job creators, and more jobs, here in our state to help power our economic recovery.

**The undersigned organizations stand ready to support a variety of policy solutions, so long as they meaningfully address our current workforce challenges. At this critical moment, we must take bold, corrective action to ensure North Carolina's job creators can continue doing what they do best – growing high-quality jobs for the people of this great state and propelling our competitive economy to ever-loftier heights.**

Undersigned:

Catapult Employers Association  
Employers Coalition of North Carolina  
(ECNC)  
National Federation of Independent  
Business (NFIB)  
NC Chamber  
North Carolina Automobile Dealers  
Association (NCADA)  
North Carolina Beer & Wine Wholesalers  
Association  
North Carolina Farm Bureau  
North Carolina Forestry Association (NCFA)

North Carolina Home Builders Association  
(NCHBA)  
North Carolina Pork Council  
North Carolina Poultry Federation  
North Carolina Restaurant and Lodging  
Association (NCRLA)  
North Carolina Retail Merchants Association  
(NCRMA)  
North Carolina Soybean Producers  
Association (NCSPA)  
Western Carolina Industries (WCI)