

## For Your Info

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In early July 2006 both the House and Senate agreed to increase the state's minimum wage in Massachusetts. On January 1, 2008, the state's minimum wage will jump to \$8.00 per hour. It is currently \$6.75 per hour. The legislature agreed to a two-step process to get to the \$8.00 per hour. On January 1, 2007, the minimum wage will be increased by 75 cents bringing it to \$7.50. Then on January 1, 2008, it will be raised to \$8.00 per hour. The state's minimum wage was last adjusted in January of 2001.

What is the current unemployment rate in Massachusetts (May, 2006) seasonally adjusted? What is the current employment rate in the US (May, 2006) seasonally adjusted? Look on page 2 for the answer.

Look for Pattie's Job Doc column in late July 2006 in the Sunday Boston Globe.

## Training and Your Human Capital

**"We don't have the time or the money  
to train people."**

"We are too small to offer any type of formalized training."

**"We expect our employees to be trained when they  
walk in the door."**

"Our priorities change too quickly to spend  
money on training."

**"We only have so much money."**

One of the first areas that many companies cut during difficult financial times is training and development. However in 2006, we have seen an increase in the demand for training and development.

Recent data supports our anecdotal observations. The American Society for Training and Development (ASTD) State of the Industry report found that employee learning and development is more important than ever before to sustain a competitive advantage. Here is a summary of ASTD's 2005 research:

- The annual training expenditure per employee is \$955 (an increase from \$820 in both 2002 and 2003).
- Employees are receiving an average of 32 hours of formal training (an increase from the 26 hours that was found in 2003).
- The average percentage of payroll allocated to formal training programs is 2.34%.
- Companies listed professional and industry-specific training at the top of their priority lists followed by managerial/supervisory training as well as business processes training.
- Delivering training via technology has increased from 24% (2003) to 28% (2005).

We have worked with many of our clients to offer both the traditional workshop-style training programs as well as offering online solutions. Many of our clients mistakenly assume that they have to offer

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The EEOC has announced that effective September 2007, there will be significant changes to the EEO-1 reporting requirements. There will be no changes for September 2006. Watch for more details in an upcoming newsletter!

*Answer from page 1:*

The current (May, 2006) Massachusetts unemployment rate seasonally adjusted is 5%. The national unemployment rate (May, 2006) seasonally adjusted is 4.6%.

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big-ticket training programs to their managers and employees. We are seeing just the opposite. We are seeing clients offer high-quality training programs with a very specific objective. Call us for more details!

If you don't invest in your employees, someone else will!

## Immigration - An Update

We have all read about immigration extensively in 2006. The debate continues to rage on. What does an employer need to know? And more importantly, what is an employer's obligation?

Since the passage of the Immigration Reform and Control Act of 1986, employers are required to examine documents presented by new hires to verify both identity and work eligibility. Employers must also retain the I-9 form that has been completed by the new hire.

Bills passed in both the US House and the US Senate have mandated the creation of an electronic system to verify the new hire's eligibility for employment. Currently there are 6000 employers in the US piloting this electronic system. In two years, the electronic system is expected to be available on a nationwide basis for use by all US employers. Additionally, there may be a requirement to re-verify existing employees. Both bills also would increase civil penalties for noncompliance or violations.

## Hiring in New England on the Rise Again

According to a recent report by NEHRA (North East Human Resources Association), the New England region is hiring again. Only 6% of those polled expected a decrease in hiring while 65% reported that they anticipate the number of full-time employees to increase over the next year. Twenty-nine percent expect to remain steady. Of the sources of new hires, employee referrals (95%) and Internet job boards (93%) are the most common ways to find candidates. The e-survey was conducted from June 1-15, 2006. The survey is based on feedback from 393 respondents.