

BY KATRINA MULLEN

## New from the Richmond Fed's Regional Matters blog

### Zach Edwards. "The State of Hiring in the Fifth District."

The labor market has been historically tight the past two years, and although wage growth estimates are above pre-pandemic levels, many firms in the Richmond Fed business surveys are finding it difficult to hire and retain workers with the necessary skill sets. Since the beginning of the year, both manufacturing and service-sector firms said it has become more difficult to hire mid- and high-skilled workers. Service-sector firms reported the same level of difficulty as before in retaining workers, whereas manufacturing firms have had more difficulty retaining workers at all skill levels. Looking ahead, most firms plan to hire for both new and replacement positions.

### Laura Dawson Ullrich and Meher Narielvala. "The Higher Education Emergency Relief Fund (HEERF) and Its Impact on Fifth District Community Colleges."

In response to the COVID-19 pandemic, higher education institutions ranging from large research universities to small community colleges received nearly \$80 billion — \$7.2 billion in the Fifth District — via the HEERF. The funds were generally distributed based on the number of students affected by the shift to online learning and the percentage of impacted students who were Pell Grant recipients. Community colleges, which experienced large enrollment declines during the pandemic, were able to use the HEERF funds they received to offset revenue losses, among other needs like technology and classroom upgrades and campus improvements. Some community colleges also spent HEERF funds on programs and positions, but with HEERF funds expiring, there is uncertainty whether these recurring expenditures can continue.

### Sierra Latham. "From Good Bones to Healthy Homes: Housing Quality in the Rural Fifth District."

Housing quality can affect residents' well-being if left unaddressed, and housing repairs can be quite costly. Compared to higher-income households, low-to-moderate income households, which comprise 45 percent of rural Fifth District households, are more likely to live in manufactured homes that need repairs. Renters, who make up 26 percent of rural Fifth District households, are more likely to need a home repair, and landlords don't always fulfill their obligation to carry out those repairs. Additionally, about 30 percent of rural Fifth

District households live in homes built before 1970, which places these households at greater risk for repair needs.

### Laura Dawson Ullrich and Matthew Wells. "Creating a STEM Employment Pipeline in Eastern North Carolina Schools."

Rural areas of eastern North Carolina are facing population and demographic challenges. NC East Alliance, an economic organization representing 29 counties, is working with school districts and community colleges to develop and maintain the region's workforce, both with existing employers and hoped-for future employers in STEM industries. One such program is "Industry in Schools," which informs students of jobs in these industries and provides education pathways for these jobs. The strategy also includes the Teacher Leadership Institutes: two-day workshops with tracks for different STEM industries that give teachers more information and opportunities to develop partnerships to bring new technology into the classroom. Several school districts recently attended these pilot programs, which highlighted tracks in health science, smart agriculture, and aviation science. While the three recent pilot programs were successful,

additional funding and government support would be necessary to implement such strategies on a larger scale.

### Jason Kosakow, Nicholas Haltom, and Sonya Ravindranath Waddell. "A Penny for Your Thoughts? How Survey Comments Help Us Understand Our Region's Labor Market."

Each month, the Richmond Fed business surveys highlight local business conditions, and participants' comments are often particularly useful. For example, before the COVID-19 pandemic, a majority of Fifth District firms said it was a challenge to find workers with the right skills; that challenge persists today but to a lesser degree. A survey of human resources professionals recently complemented the Richmond Fed surveys of area businesses and found that businesses in the Richmond area have both raised wages and intensified recruitment (for example, through referrals, commercial job boards, and social media). The survey also asked about remote work and concluded that while some candidates wanted more remote days, it was not a primary recruitment challenge for most respondents. **EF**

