

Supplemental Survey Report

Job Openings Taking Longer to Fill; Manufacturers Hiring More, Raising Starting Pay

Supplemental questions in the February 2018 *Empire State Manufacturing Survey* and *Business Leaders Survey* focused on staffing and compensation issues. Firms were queried about the extent of their hiring, the degree of difficulty they encountered in filling job openings, and their expectations for wage and salary growth. Most of these questions had been asked in surveys conducted in January 2017 and earlier, as shown in the tables below.

Respondents were asked how many workers they had hired in the past twelve months. The median number of new hires as a percentage of firms' employees was 7.1 percent among manufacturers (up from 5.5 percent in last January's survey) and also 7.1 percent among service firms (down slightly from last year's survey).

When asked how long, on average, it had taken to fill job openings over the preceding twelve months (mostly 2017), the median manufacturing respondent said thirty days, while the median service sector respondent indicated forty-five days—both unchanged from last January's survey. When asked how these intervals compared with their experience in 2016, 50 percent of manufacturers and 42 percent of service firms reported that the duration of job vacancies had increased, while 5 percent or fewer reported a shorter duration. Businesses were also asked how many job openings they had at the time of the survey: the median figure for job openings as a share of the workforce was 2.6 percent among manufacturers (up sharply from 1.0 percent in last year's survey) and 2.0 percent among service sector respondents (up modestly from 1.5 percent).

Businesses were also asked how much they expected the wage or salary of a typical worker (not including benefits) to change over the next twelve months. More than 85 percent of both manufacturers and service sector firms expected salaries to increase, while almost all of the rest expected them to remain unchanged. The median expected pay increase was 3.0 percent among both manufacturers and service firms—the same as in last January's survey. Firms were also asked by what percentage they expected starting salaries for new workers to change in 2018, relative to 2017. In response, 55 percent of service firms and 64 percent of manufacturers projected an increase, while the rest expected salaries to remain the same. The median expected change was 3 percent among manufacturers and 2 percent among service sector respondents. ■

Supplemental Survey Report, *continued*

QUESTIONS 1-5

	Empire State Manufacturing Survey			Business Leaders Survey		
	Median (Except Where Indicated)			Median (Except Where Indicated)		
	February 2018	January 2017	January 2016	February 2018	January 2017	January 2016
QUESTION 1 Roughly how many workers are currently employed at your establishment?	50	65	67	50	62	75
QUESTION 2 Roughly how many new workers has your establishment hired over the past year?	4	3	4	3	5	5
New hires as a share of workforce*	7.1%	5.5%	6.4%	7.1%	7.5%	7.1%
QUESTION 3 Thinking about job vacancies at your establishment over the past year, on average, roughly how many days did it take you to fill a typical position?	30	30	30	45	45	40
QUESTION 4 How does this number compare with the prior year's number? Percentage of respondents replying:						
More days than in the prior year	50%	38%	36%	42%	35%	32%
Same number of days as in the prior year	46%	54%	60%	54%	59%	60%
Fewer days than in the prior year	4%	8%	3%	5%	5%	7%
QUESTION 5 Roughly how many job openings are there at your establishment at the present time?	2.0	1.0	1.0	2.0	2.0	2.0
Job openings as a share of workforce*	2.6%	1.0%	1.3%	2.0%	1.5%	2.3%

* This measure represents the median percentage across all respondents.

Supplemental Survey Report, *continued*

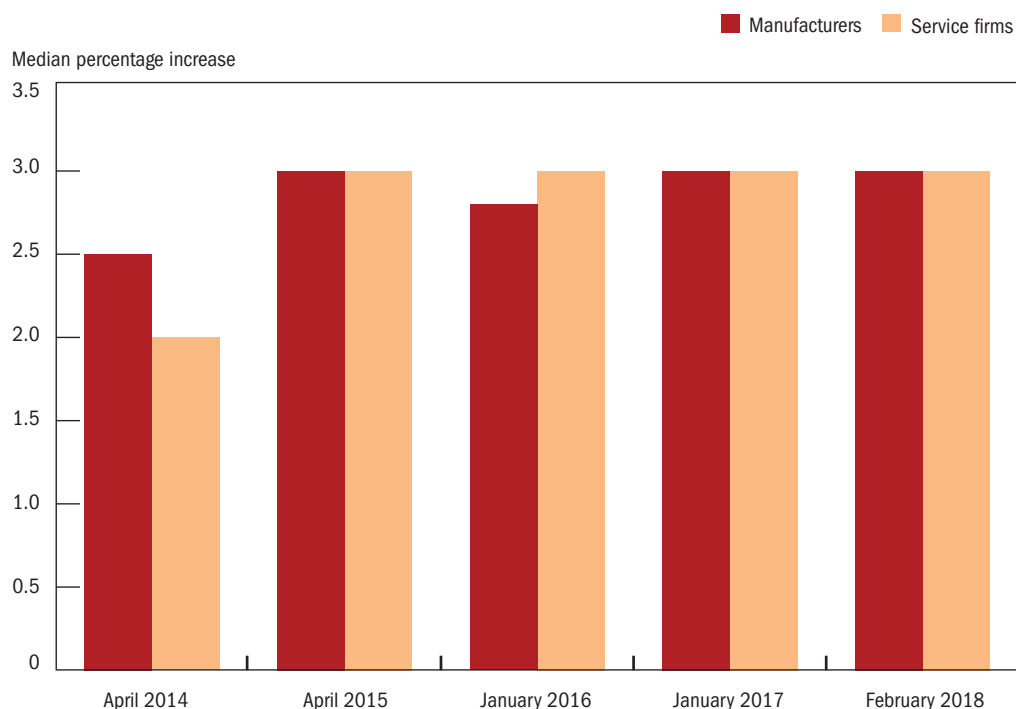
QUESTION 6

By about what percentage, on average, do you expect a typical worker's wage/salary—not including benefits—to change over the next twelve months?

	Empire State Manufacturing Survey				Business Leaders Survey			
	February 2018	January 2017	January 2016	April 2015	February 2018	January 2017	January 2016	April 2015
Expected percentage increase								
Average	3.1	2.9	2.3	3.1	3.6	3.1	3.1	2.7
Median	3.0	3.0	2.8	3.0	3.0	3.0	3.0	3.0
Percentage of respondents expecting								
Decrease	0.7	0	0	0	0	0.7	0	0
No change	10.1	20.2	21.4	16.0	13.4	13.2	23.4	22.9
Increase	89.2	79.8	78.6	84.0	86.6	86.1	76.6	77.1
2 percent or less	20.9	17.5	20.4	23.4	16.9	19.9	18.4	22.9
More than 2 and up to 4 percent	48.9	50.0	51.0	43.6	41.5	46.4	44.0	38.9
More than 4 percent	19.4	12.3	7.1	17.0	28.2	19.9	14.2	15.3

HISTORICAL OVERVIEW FOR QUESTION 6

By about what percentage, on average, do you expect a typical worker's wage/salary—not including benefits—to change over the next twelve months?



Supplemental Survey Report, *continued*

QUESTION 7

By about what percentage, on average, do you expect a *new* worker's starting wage/salary—not including benefits—to change over the next twelve months?

	Empire State Manufacturing Survey			Business Leaders Survey		
	February 2018	January 2017	January 2016	February 2018	January 2017	January 2016
Expected percentage increase						
Average	3.9	3.4	2.2	3.2	2.6	2.1
Median	3.0	2.0	2.0	2.0	2.0	0
Percentage of respondents expecting						
Decrease	0	0.9	2.0	0	2.0	1.4
No change	36.4	41.2	43.9	45.0	41.3	53.6
Increase	63.6	57.9	54.1	55.0	56.7	45.0
2 percent or less	10.0	8.8	10.2	5.7	10.7	10.0
More than 2 and up to 4 percent	17.1	13.2	20.4	12.1	14.7	11.4
More than 4 percent	36.4	36.0	23.5	37.1	31.3	23.6