



BEING JOBLESS FOR 60 DAYS INCREASES YOUR CHANCES OF BEING RECRUITED AND RETAINED

And the new truth is that once the period of remaining jobless extends towards a stretch of 60 days, there are some who prefer to complete the period of remaining jobless for sixty days before seeking work afresh. Why? Because this is the new reality. It increases their chances of recruitment and adds a feather to their resumes. And according to the HIRE Act, the situation will continue up to January 1, 2011. Without going into the good or bad of things or any kind of critical analysis of incentive regulations passed by the government to help recover the economy, let's consider the facts. The HIRE Act, or the "Hiring Incentives to Restore Employment Act" signed by President Obama on March 18 offers certain benefits to employers on recruitments up to Jan 1, 2011. In essence, it says that employers who recruit, within Feb 3 2010 to Jan 1 2011, employees remaining jobless for 60 days or more, would be exempted from paying Social Security taxes that amount to 6.2 percent of the employee's wages. There is an additional tax credit of \$1000 where such employees are retained on the payroll for a year or longer. Qualifying workers (jobless for 60 days) hired between February 3 and January 1, 2011 will carry this added incentive for employers to recruit them. So, as I mentioned earlier, being jobless for the qualifying 60 days adds a significant incentive for the employer to recruit a candidate as well as retain him or her. In order to make their employers eligible for the benefits upon recruiting him or her, an employee needs to provide a signed statement or HIRE Act Employee Affidavit. The statement certifies under penalties of perjury - that the employee had remained jobless for a stretch of 60 days or more prior to being recruited by the employer, and that he or she was not employed for more than 40 hours during those 60 days. So, how far does this reality truly extend in the prospects of job hunting? Would like to avoid giving personal opinions, but again I can put authentic data in for you to judge by. According to data taken from the Bureau of Labor Statistics, the number of employed civil population above 16 years of age and including both men and women fell by 2.29 million between February and May 2010 (seasonally unadjusted data). However, during the same time period, between February and May 2010, the U.S. Treasury reports businesses of hiring 4.5 million employees who qualified for making their employers benefit from tax exemptions. Cumulatively, the "jobless for 60 days" made their employers entitled to tax benefits of \$8.5 billion and if the same employees are retained for the rest of 2010, the employers would rake in another \$ 5.1 billion in payroll tax savings. Add to this the fact that if again the same "60 days out-of-work" qualified employees continue for a whole year with their employers, they would make their employers eligible for another \$3.4 billion. If, in respect of the same period, total employment falls by more than 2 million, but recruitment of those "jobless for sixty days" exceeds 4 million, it creates strong doubts about the number of people who did not have the "jobless-for-sixty days" eligibility of being recruited, if at all. That's strong argument for me to take a two month's vacation and update my resume.

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