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**U.S. JOBS DATA REBOUNDS
AFTER A SLOW START TO 2015.**

+119,000




MARCH

+221,000



APRIL

+280,000



MAY

Non-farm payroll represents the total number of paid U.S. workers of any business, excluding government, private households, non-profit organisations and agricultural employees. Source: U.S. Dept. of Labor, Bureau of Labor Statistics, as at 06/06/15.

IMPORTANT INFORMATION

Could more jobs in the US herald an interest rate rise?

Jobs data released on the 9 June shows a significant increase in the number of U.S. jobs created in May. This is important, as more jobs and strong wage growth increases the possibility of the first interest rate rise since 2008 by the U.S. Federal Reserve (Fed). Job creation in the U.S. has been steady over the last two years, although it has been weaker than expected in 2015.

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Immigration
 Turning up the heat
Business is appalled at plans to further restrict non-EU skilled immigration
 Jun 20th 2015 | From the print edition



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PASHA KHANDAKER is the owner of a small chain of curry houses in Kent, and it's getting smaller. One restaurant closed eight months ago, and the remainder are struggling. He has only three people manning each kitchen, whereas he needs six. Mr Khandaker fears that this will mean "poor service and poor customer satisfaction". The problem, he laments, is that he can't get enough chefs, from within Britain or, more importantly, from South Asia.

Young British-Indians and Bangladeshis, explains Mr Khandaker, are better-educated and more ambitious than their parents and grandparents, who started opening the country's 12,000 or so curry houses in the 1970s, so they no longer want to work long evenings in cramped kitchens. The ready flow of immigrants from the EU has not solved the problem: "We tried to employ Romanians and Bulgarians, but we were asking them to cook vindaloo, and this is not natural to them," he says.

The obvious alternative was to import the chefs from South Asia. But due to ever-tighter controls on non-EU immigration this has become ever more difficult. "This industry is disappearing," says Mr Khandaker, who is head of the Bangladesh Caterers Association. A curry house now closes every other week, he says.

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Employee Engagement Leads To Customer Loyalty

By: [Sally Buchholz](#)
 September 10, 2014

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The difficulty of finding skilled staff has been a common refrain among British businessmen, the more so now that the economy is growing strongly and firms are looking to hire more. In a sign of the rising demand, the government's cap on visas for skilled workers from outside the EU (so-called "tier two" applicants) was reached in May for the first time since the limit was introduced in 2011 (see chart). The cap allows no more than 20,700 such workers to be allowed into the country each year, with spaces allocated on a monthly basis.

Employers were dismayed by the news, as visa applications came back rejected. One company had 70 applicants for its graduate-training scheme refused. Furthermore, as the demand for tier-two visas increases, so the minimum salary threshold for getting one is climbing. The median salary across successful tier-two applicants in the year to September 2014 (excluding industries not suffering acute skills shortages) was £33,000 (\$52,000), but is now probably over £40,000. Lower-paid applicants, from nurses to curry chefs, are the first to be squeezed.

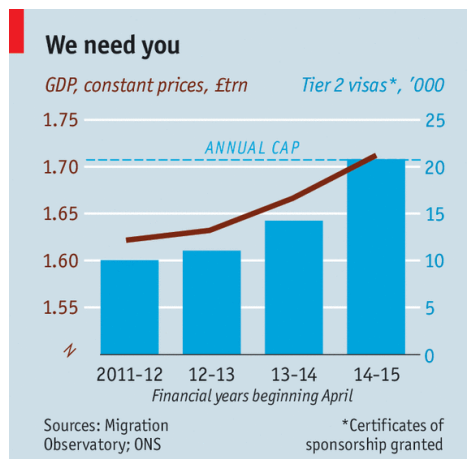
For employers, there could be worse to come. Even as demand for skilled labour outstrips the supply of visas, the prime minister, David Cameron, has said he will "significantly reduce" the number of tier-two entrants. With recently published figures showing that net migration soared to 318,000 last year, well ahead of the government's long-discredited target of "tens of thousands", Mr Cameron faces renewed pressure, particularly from within his own party, to get immigration down.

He can do very little about migrants from within the EU, but he can change the rules on immigration from outside Europe. So he has asked the Migration Advisory Committee, an official expert panel, to look at ways of tightening the rules on tier-two visas, such as reserving them only for industries that can demonstrate acute shortages, or making them more expensive by including a levy to fund more apprenticeships for young Britons. It could also become harder for multinational firms to transfer their overseas employees to Britain, a route which currently brings some 30,000 migrants a year.

The government hopes that these measures will force companies to hire and train more home-grown workers, thus eventually easing the country's chronic skills-shortage. However, Julia Onslow-Cole, an expert on immigration at PwC Legal, a consultancy, argues that "it seems crazy that with a period of growth coming we are depriving ourselves of skills".

The 20,700 tier-two applicants that arrive in Britain each year add only about 0.07% to the size of Britain's labour market. Yet they contribute a disproportionate amount to the economy in terms of tax and know-how. And sorting out Britain's long-standing skills shortage is a multi-generational task. The proposals "make no sense in the short-term or long-term," says Mark Hart, of the Enterprise Research Centre, a research organisation. "It's madness, strangling growth."

From the print edition: Britain



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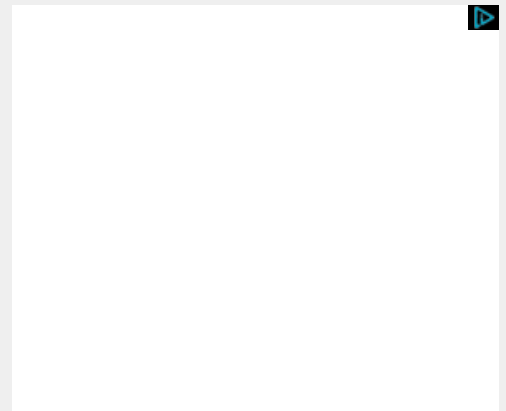


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