LI HOLIDAY HIRING EXPECTED TO LAG

Based on outlook of weak sales and tight labor market

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Long Island retailers are expected to keep seasonal hiring low this year, amid a tight labor market and predictions of weak holiday sales.

Tandy Jeckel, owner of the TandyWear women's boutique in Commack and two other offshoot stores, one of which is set to open later in November, said he's been preparing for the holidays for months, it's been difficult to find the people she needs.

"You really have to advertise if you want to find people," Jeckel said.

The local chain began recruiting efforts in August to fill 40 to 60 seasonal slots but was having little luck in finding enough candidates until two weeks ago when it hung large help-wanted banners at its Commack Road store and the soon-to-open location on Jericho Turnpike in Commack.

Even with the increase in applicants — Jeckel said her store manager had blocked out two days this week to interview candidates — the job market remains tight and gives applicants more leverage.

"It's been rough," she said. "The people that come in, they call the shots."

But while local retailers like Jeckel are ramping up hiring efforts, and national giants like Target and Macy's plan to hire 100,000 and 38,000 seasonal workers, respectively, the seasonal surge of retail employees is likely to be smaller overall this year.

"A number of tenants have been hiring," said Ken Hamilton, general manager of South Shore Mall in Bay Shore. But Hamilton said with less focus on single-day Black Friday deals, holiday sales being extended for weeks, and the mail planning only limited extensions of shopping hours, the majority of tenants are seeming to get by without seasonal reinforcements.

"I sense that they're not hiring as many this year," he said.

Challenger, Gray & Christie, a job market researcher, projects that retailers will add 480,000 seasonal employees nationwide this year, the lowest number of holiday workers since 2008.

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Lower spending forecast

Adam Kamins, senior director at Moody's Analytics, said his firm expects that seasonal spending, and the related recruitment of seasonal workers, is likely to be “disappointing” this year, nationwide.

"We think that holiday sales are going to be relatively weak this year compared to the last couple of years," said Kamins, who is also a lead regional economist covering Long Island. "That will flow into subpar hiring."

On the Island, seasonal hiring hit record lows last year and this year is likely to be similar.

"Long Island had a particularly hard year last year with holiday hiring," Kamins said. "I don't expect it to get meaningfully better this year."

Seasonal hiring for brick-and-mortar retailers locally fell last year to its lowest level in more than 30 years in the months leading up to the holidays, missing its normal on-boarding volume by thousands of workers.

From October to December, the traditional seasonal hiring months for retailers, employers in retail hired a total of 3,300 workers, "which was the lowest on record since 1990," said Shital Patel, labor market analyst with the state Labor Department's Hicksville office.

"In the 20 years prior to the pandemic, seasonal retail hiring averaged 11,000" during the same three-month period, Patel said.

Warehouse, delivery uptick

At the same time, employment in warehouse and delivery work, two areas heavily associated with online shopping, have continued to see upticks in seasonal workers, following the shift in Americans' buying habits.

Before the pandemic, local employers in transportation and warehousing hired an average of 1,000 seasonal workers, Patel said. Since then, the number of seasonal hires has grown to 3,600 in 2020, 4,000 in 2021, and 3,300 last year.

Most that growth has been the result of increased hiring in the couriers and messengers category, which includes drivers who deliver goods purchased online at retailers like Amazon. Last year, courier businesses added 3,400 seasonal workers, according to state data.

"Fulfillment centers and warehousing jobs have become, in a lot of ways, the new retail jobs," Kamins said. "They tend to be pretty low wage jobs, so they're not desirable jobs in a lot of cases. But they are more likely to be full-time and maybe a little more lucrative than retail."