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Bermuda feels job crunch from the global economic downturn

By Marina Mello

Recruiters and employment agencies are being flooded with applicants as businesses in Bermuda cut jobs and slam the brakes on hiring.

Worst hit are the financial services and hospitality industries earlier this week it was revealed XL Capital aims to cut up to 40 jobs and Swiss Re was closing its Bermuda office.

The Island's construction industry, which has boomed for years, is expected to be next.

In anticipation, the Labour Ministry says the Government training and employment office will stay open longer as of March 1, from 8.45 a.m. to 8 p.m. one day a week, and more if necessary.

Minister David Burch says 400 people signed up last year for job training and employment services and it's expected that number "will dramatically increase in 2009".

Doug Soares, partner in recruiting firm Expertise Ltd., said: "There has been a sharp increase in applications within the last six months, both locally and from overseas. On our website bermudajobs.com, we have seen four times as many registrants when compared to this time last year.

"The number of searches that we are engaged to perform for employers is only half of what it was this time last year."

Mr. Soares believes Bermuda will see more redundancies this year, many from local companies including the construction industry.

He added: "In addition to the redundancies that everyone reads about in the newspaper, there are at least as many that are never detected by the press."

Recruiters say a number of companies, such as small fund administrators, insurers and asset managers, are cutting jobs gradually and discretely or simply closing down.

"We are seeing a tremendous amount of redundancies," said Diana Andrew, managing director of Business Services of Bermuda, which offers permanent and temporary office employment.

"A lot of smaller international companies are making certain positions redundant or simply closing down.

"We have probably had two or three dozen people come in to us who have been made redundant mostly all Bermudian, and mainly in investment and insurance. A lot of office manager, bookkeeper positions have been axed."

Mrs. Andrew added: "I was in this business in the last recession and never saw anything like this. We even have Bermudians working in the US coming back, who believed they could always get a job in Bermuda, but that's no longer true."

Despite the downturn, Mr. Soares says there are still jobs to be had. "Some of Bermuda's best employers are still hiring because they know that they will emerge on the other side of this recession stronger if they pick up the best employees now.

"There are some excellent people seeking employment at this time so employers that are seizing the opportunity to retool are benefitting immensely. Others, however, have no choice but to be cautious with their hiring given the tough economic times. Some have outright hiring freezes and are downsizing now."

Another local recruiting company, The James Partnership, is seeing the same trend.

"I would say since November we are seeing ten to 15 percent more candidates looking for jobs. They are ex-pats and Bermudians," said executive recruiter Marie-Pier Belanger. "A lot of candidates were in the investment industry."

She added: "But we are still placing people in Bermuda. Companies are still hiring. And we are hopeful that after July it will pick up."