

New Study Illuminates the Gap Between Raises and Inflation

Unveiling Hidden Wage Erosion: ResumeBlaze Highlights a Subtle, Pervasive Discrepancy Between Standard Raises and Actual Inflation, Impacting Workers' Finances.

SANTA BARBARA, CALIFORNIA, UNITED STATES, October 12, 2023

/EINPresswire.com/ -- In a revealing new study, ResumeBlaze discloses stark discrepancies between standard annual raises and actual cost-of-living increases. The study points to a widespread, subtle erosion of employee purchasing power over time, examining how a seemingly innocuous 2% standard annual raise—aligned with the Federal Reserve's inflation target—is deceptive and detrimental to workers. The actual or real inflation rate surpasses the Federal Reserve's 2% target rate most years.

Understanding the Subtleties of Inflation:

Inflation reflects the rate at which average prices for goods and services increases, subsequently eroding purchasing power.

Critical Assessment of Raises: A 2% annual raise, although in line with Federal Reserve targets, may not always correlate with actual inflation rates.

The Silent Culprit – Underpayment: Over time, adherence to a 2% raise silently erodes purchasing power and living standards for workers. "It's astonishing to realize that an annual raise isn't merely a perk. It's crucial to sustaining existing purchasing power. Employers who neglect to provide raises that surpass the real inflation rate are, in essence, penalizing their employees," says Darren Shafae, founder and lead developer at ResumeBlaze.

The Erosion of Worker Wages in Light of Real Inflation:



Inflation reflects the rate at which average prices for goods and services increases, subsequently eroding purchasing power.

An eye-opening model from the study illustrates the discrepancy vividly: An entry-level worker earning an annual wage of \$24,663 in 2000, receiving a 2% raise annually, should anticipate an annual wage of \$38,891.07 in 2023.



ResumeBlaze Resume Builder and Cover Letter Generator

Adjusting for the actual inflation rate, the equivalent salary in 2023 should be \$44,858.90. This presents a substantial deficit of -\$5,967.83 annually, or a loss of -13.3%. “How many U.S. workers realize that a standard 3% raise is merely the baseline to preserve existing purchasing power? Workers must routinely evaluate the [current job market](#) and strategically leverage open job offers to not just meet, but exceed, the real rate of inflation,” says Darren Shafae.

“

It’s astonishing to realize that an annual raise isn’t merely a perk. It sustains existing purchasing power. Employers who neglect to provide a raise that surpass the real inflation rate are steeling.”

Darren Shafae, founder and lead developer at ResumeBlaze

The Covert Reality of Wage Theft:

This nuanced form of underpayment or “wage theft” has multifaceted implications, not only curtailing purchasing power but also fostering a pervasive sense of undervaluation and dissatisfaction among employees.

Read the entire study at

<https://www.resumeblaze.com/wages-and-inflation.php> and update your resume with ResumeBlaze.

About ResumeBlaze:

ResumeBlaze has positioned itself as a pivotal player in the design of [resume builder](#) software, offering a 7-day free

trial of its flagship [resume maker](#). We continuously strive to illuminate overlooked facets of employment, wages, and financial stability, ensuring individuals are empowered with knowledge and tools to navigate the ever-evolving job market with finesse and assurance.

Darren Shafae
Resume Blaze, LLC
+1 805-366-3105

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[LinkedIn](#)

[Instagram](#)

[YouTube](#)

[Other](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/661494383>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2023 Newsmatics Inc. All Right Reserved.