Jobless get ray of hope

New data suggest employment trend slowly turning up as ecomomy heals

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New figures show the U.S. unemployment rate held steady at 9.7 percent in February, and signs of slowing job losses suggested the economy is healing.

Still, analysts said significant hiring has yet to occur. For thousands of Americans who don't have jobs, including many in South Carolina, the improvement remains elusive. But while frustrated, they refuse to abandon hopes for employment.

"Sometimes I get discouraged because I think, well, at my age I think I'm wasting my time," said Sharon Sims, a 57-year-old Easley resident who enrolled at Tri-County Technical College after a plant shutdown ended her 35-year textile career.

Nervous about returning to the classroom after so many years, Sims was comforted to find several friends and former coworkers back in school after plant layoffs and closures. Her husband, who also lost his textile job, has joined her.

"I don't like not working," she said. "I've worked all my life."

South Carolina has had one of the nation's highest unemployment rates. The state's jobless figure was 12.6 percent in December, and state officials are expected to release January data next week.

U.S. Secretary of Labor Hilda L. Solis said Friday the February employment report showed the economy lost 36,000 jobs, fewer than expected.

"Today's numbers underscore that we still have work to do before we can be sure that all Americans have access to good jobs," Solis said.

"Today's report also shows positive signs that the economy is moving in the right direction. For example, we see continued growth in employment in the health-care and manufacturing sectors."

Douglas Holtz-Eakin, a top economist and former advisor to John McCain, told *The Greenville News* this week that the economy is "not recovering quickly, but it will."

An important point, however, and "one that hasn't been adequately recognized," is that young people are disproportionately bearing the brunt of the recession, Holtz-Eakin said.

"This is a not a recession for me, 52-year-olds," he said. "It's 21- to 35-year-olds who are starting their careers and are finding themselves out of work for years.

"The history shows that they often never recover and get the same career trajectories that they would have otherwise," he said. "It, in many ways, will test social cohesion."

He also said wage losses in this downturn cumulatively are larger than all of the previous post-war recessions.

"So young people, permanently out of work, are taking a huge hit," Holtz-Eakin said.

Holtz-Eakin is a member of the Financial Crisis Inquiry Commission, whose members were appointed by Congress last year to examine the causes, of the economic crisis.

Economists said winter storms likely inflated the nation's job losses but less than predictions. Without the storms, the economy likely would have seen a net jobs gain in February for only the second time since the recession began two years ago.

The recession eliminated about 8.4 million jobs, and it takes 100,000 new jobs a month just to keep up with population growth and keep the unemployment rate from rising.

Thursday, the U.S. House passed legislation giving companies that hire the jobless a temporary payroll tax break. Economists doubt, though, that move will create many jobs. President Obama and the Democratic Party are under pressure to address the jobs crisis in a congressional election year.

Nearly 14.9 million Americans are unemployed — nearly twice the total when the recession began. The Labor Department revised its estimate of job losses for January from 20,000 to 26,000.

While the unemployment rate, which hasn't risen since October, may be bottoming out, economists caution many of the unemployed have given and aren't included in the jobless rate.

When discouraged workers are included, along with those working part time because they can't find full-time work, the so-called "underemployment" rate rose to 16.8 percent last month from 16.5 percent. That reflects a jump in the number of involuntary part-time workers.

One encouraging sign in the federal report: The number of long-term unemployed — those out of work for six months or more — fell for the first time since November 2008, to 6.1 million from 6.3 million. Still, about 40 percent of the unemployed have been out of work six months or longer.

At the local technical college, Sims, the Easley resident, is studying to be a medical assistant. She wants to work while she is in school, but said finding a job has been difficult.

She and her husband, Freddie, depend on unemployment benefits.

She was drawn to the medical field because she enjoys helping people, said Sims, who turns 58 this month.

"I'm just scared that when I get through with my classes, at my age, am I going to be able to find a job?" she said. "It's hard for me at my age to keep up with the young kids."