Jobless rate seen maybe worsening in 2009

By Lisa A. Young: The Herald-Sun

Jan 12, 2009

CHAPEL HILL -- He's not "predicting the sky falling," but Orange County Economic Development Director Brad Broadwell said he's not sure if Orange County has seen the worst as far as unemployment is concerned.

According to the Employment Security Commission's most recent statistics for November, Orange County had the lowest unemployment rate -- 4.7 percent -- in all of North Carolina. But that's an increase of 1.6 percent since November 2007, and not too far below the peak unemployment of 2008, which was 5.1 percent in July.

Meanwhile, North Carolina and the rest of the country continue to struggle to break out of a recession -- at 7.9 percent, the statewide unemployment rate is higher than it's been in almost 20 years.

Broadwell said he's well aware that people are still losing jobs.

"Whether it's one person or 10 people out of work, it's cause for concern," he said. "It's great by comparison now, but we still have to look to the future."

For example, the health care industry -- one of the county's largest employers -- could be further hurt by the recession as more patients delay elective surgeries. UNC is also certain to feel the pinch of budget cuts at the state level, Broadwell said.

Duke University business professor Campbell Harvey said Friday that he expects another 3 million jobs to be lost nationwide in 2009, in addition to the 524,000 lost in December. It's not unusual for job losses to continue even after a recession officially ends, Harvey said, and so far there has been no economic indicator to suggest that the end of the recession is near.

So while unemployment could certainly get worse before it gets better, Broadwell said his office is doing everything possible to understand where the economy is going in the short term and anticipate what jobs will be needed.

"Part of my job is to make sure we're creating jobs even in a recession, so we're trying to do that," Broadwell said. "We need to create new sectors of strength and diversification from our strengths here in Orange County."

One area Broadwell said he would like to see greater understanding and expertise in is the so-called "green collar" jobs that include solar panel installers and building engineers with an understanding of solar and wind power.

"You have to be ready with a work force and a strategy to take advantage of those opportunities," Broadwell said.

U.S. Sen. Kay Hagan, who took office Tuesday, has pledged to make the economy and unemployment among her top priorities.
As Congress and the incoming administration continue working to design a stimulus package that will provide real relief for American families, it is imperative that we not just send people checks," Hagan said. "We also have to invest in projects that will send them back to work. It is the skill and resolve of our workers that will ultimately drive our economic recovery."

No comments have been posted.