

# US: Unemployment hits double digits in seven states

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Three more states in the US recorded jobless rates of more than 10 percent in February, bringing the total thus far to seven, according to data released Friday by the Labor Department.

Nevada (10.1 percent), North Carolina (10.7 percent) and Oregon (10.8 percent) last month joined the four other states that had previously soared above 10 percent. Michigan, at 12 percent, remained the state with the highest unemployment rate, followed by South Carolina at 11 percent and Oregon at 10.8 percent. California (10.5 percent) and Rhode Island (10.5 percent) are the other states with double-digit unemployment.

The new data on state jobless levels followed the Labor Department's report on initial jobless claims for the past week, released Thursday, which showed a higher-than-expected increase to a seasonally adjusted figure of 652,000, up from the previous week's figure of 644,000. The total number of people claiming benefits for more than a week jumped 122,000 to 5.56 million, exceeding analysts' projections of 5.48 million and marking the highest level since records began in 1967. The level of continuing jobless claims set a record for the ninth consecutive week.

These statistics, along with a rash of new corporate layoff announcements across the economic spectrum, reflect the continuing plunge of the economy toward full-scale depression, even as Wall Street celebrates the biggest three-week gain in the Dow Jones Industrial Average since 1982 and the Obama administration pumps trillions of additional dollars into the banks and hails supposed signs of economic improvement.

Economists expect that the official unemployment figure for March, to be released next week, will show that the US economy lost more than 600,000 jobs for a

fourth straight month. The jobless rate is expected to jump from 8.1 percent to a 25-year high of 8.5 percent, according to the median estimate of economists surveyed by *Bloomberg News*.

Since the recession began in December 2007, the economy has lost 4.4 million jobs, already more than the 3.5 million jobs President Barack Obama is pledging to save or create with his \$787 billion stimulus program. Economists at Merrill Lynch in New York and Wachovia in Charlotte, North Carolina, are among those projecting joblessness nationwide will surpass 10 percent.

Forty-nine states and the District of Columbia registered increases in the unemployment rate last month. Nebraska was the only state to post a decrease after the rate increased sharply the prior month.

Payroll employment in February decreased in 49 states and the District of Columbia, led by California's loss of 116,000 jobs. Florida had the second biggest drop with 49,500, followed by 46,100 in Texas, 41,600 in Pennsylvania and 37,200 in Illinois.

The jobless rates in North Carolina, at 10.7 percent, and Rhode Island, at 10.5 percent, were the highest for those states since records began in 1976. Georgia, at 9.3 percent, also set a new high mark.

"We so seldom see an economy down so broadly," Steve Cochrane, a senior economist at Moody's Economy.com in West Chester, Pennsylvania, told *Bloomberg News* on Friday. "The impact from the downturn in manufacturing is heading south from the Midwest. Job losses have broadened out across all industries because of the credit crunch, the lack of consumer confidence and the global slump."

New Jersey's unemployment rate jumped to 8.2 percent in February, from 7.3 percent in January. There are now more unemployed people in New Jersey than

at any time since the state began keeping records in 1976. New Jersey lost more than 30,000 jobs in the first two months of 2009, including almost 20,000 in February. The state's unemployment rate has risen for 13 consecutive months. Its 12-month increase in unemployment was the biggest ever.

New York City's unemployment rate rose in February by the biggest amount in a single month in history, the state Labor Department reported Thursday. The city's jobless rate matched the national rate of 8.1 percent and reflected an unprecedented one-year rise from 4.4 percent a year earlier. All told, there were about 335,000 unemployed people in the city. This is almost double the 175,000 city residents who were unemployed a year ago.

The city lost about 3,600 jobs in February. It has been devastated by a combined loss of more than 40,000 jobs in finance and business services over the past year, along with mounting layoffs in tourism and retail trade.

Major US job cuts were announced over the past week in the fields of public employment, computers and high-tech, auto, entertainment and tourism, retail trade, and newspapers.

\* The United States Postal Service announced it will slash its management staff by 15 percent, with more than 14,000 processing, supervisory and management posts being eliminated. It also said it will close facilities in six states and offer early retirement to 150,000 workers.

\* The Boston School Committee this week approved a budget for next year that could lead to the loss of more than 500 positions, including more than 200 teachers and classroom aides.

\* Some 7,500 union workers have accepted buyouts and early retirement packages, General Motors announced Thursday. Most of these workers will be gone by April 1, in some cases to be replaced by new-hires at half the pay. GM plans to cut 47,000 workers worldwide by the end of this year, as part of the "viability plan" it is negotiating with the Obama administration in return for government loans.

Earlier this week, GM began telling white-collar workers they would be laid off April 1. GM's plans call for 3,400 US salaried jobs to be cut by May 1.

\* Wisconsin-based auto supplier Johnson Controls said Friday it will close 10 plants. The company did not identify the factories to be shut or give a figure for the

resulting job cuts.

\* Autoliv, the world's largest maker of seatbelts and airbags, said earlier this week it cut 3,000 more jobs in the first two months of 2009.

\* IBM will eliminate as many as 5,000 positions in the US, according to internal documents revealed by the press on Thursday. Over 600 information technology specialists at IBM's Global Business Services unit were discharged Thursday. IBM cut more than 4,000 jobs earlier this year.

\* Agilent Technologies said Thursday it plans to lay off 2,700 workers from its electronics-testing and measurement-equipment business in response to a sharp decline in demand. This will be the third round of layoffs at the company since December.

\* Hundreds of Walt Disney World employees were handed pink slips and escorted off the property on March 26. The layoffs involve 400 to 800 people, according to press reports.

\* Wal-Mart announced that it is laying off 650 employees as it closes a central Ohio facility that processes eyewear for Wal-Mart's in-store vision centers. This is the retail giant's third layoff announcement in the last month and a half.

\* The *New York Times* and the *Washington Post* both announced job-cutting programs. The Times Co. said Thursday it eliminated 100 positions and will cut non-union salaries companywide by as much as 5 percent.

The *Post* is seeking an unspecified number of voluntary buyouts. It is also closing a printing plant in College Park, Maryland.



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