

Anemic US jobs report shows growth in long-term unemployed

Andre Damon
8 March 2014

The US economy added 175,000 jobs in February, barely enough to keep up with population growth, according to figures released Friday by the Department of Labor. The ranks of the long-term unemployed, those who have been out of work for more than 26 weeks, grew by 203,000, hitting 3.8 million.

Thirty-seven percent of unemployed people have now been out of work for six months or more. Before the 2008 crash, the long-term unemployed never amounted to more than 26 percent of the total jobless, while the total number of long-term unemployed was one-third its present level. The mean duration of unemployment currently stands at 35.4 weeks, up from 16.9 weeks in 2006.

The continued growth in the number of long-term unemployed comes after Congress and the White House cut off emergency federal jobless benefits at the end of last year for 1.3 million people. The number of unemployed workers denied benefits has since increased by 576,000, bringing the total to nearly 2 million. Counting the family members in these households, those affected could number as high as 6 million.

The latest report follows two months of dismal jobs reports. Job growth in December and January was the worst for any two-month period since 2010, and well below the already tepid monthly average of 160,000 from January through November of last year. The US economy created 129,000 jobs in January, following December's increase of 75,000.

The total number of unemployed hit 10.5 million in February, up 223,000 over the previous month, and up from 6.8 million in 2007, according to Friday's report.

February's jobs figure was "well below the 200,000 to 300,000 jobs a month that a robust jobs recovery would have generated," said Chad Stone, chief

economist at the Center on Budget and Policy Priorities.

There are now 651,000 fewer jobs than there were before the recession, even though the working-age population has grown by about 8 million during that time. Friday's jobs report noted that the labor force participation rate is down by 0.5 percent from a year ago and is down by about 3.5 percentage points since 2007.

According to the Economic Policy Institute, 5.66 million "missing workers" have dropped out of the labor force over the past five years for economic, not demographic, reasons. If these missing workers were counted as unemployed, the unemployment rate would be 10 percent.

A large section of the jobs added in February were low-skilled and low-wage, such as food service workers and home health aides. Professional and business services added 79,000 jobs, a significant portion of which (24,000) came from temporary employment.

The food service sector added 21,000 jobs. The typical food preparation worker receives \$9.18 per hour, or \$19,100 per year, according to the Bureau of Labor Statistics.

Private education and health services added 18,200 jobs, including 6,900 in home health care services, mostly consisting of home health care aides, who have a median pay of \$9.70 per hour.

The number of federal government jobs fell by 6,000 in February, although the reduction was partially offset by increases in the number of state and local government jobs. Since February 2010, 617,000 government jobs have been eliminated, led by a reduction of 392,000 in local government.

February's tepid jobs report comes amid a string of layoff announcements. Earlier this month, IBM began

its planned series of layoffs that could entail the elimination of up to 15,000 workers. This will be on top of last year's layoffs, in which some 3,000 workers lost their jobs.

This week, electronics retailer RadioShack announced it would close over a thousand stores after worse than expected holiday sales, while Staples Inc., the office supply chain, announced plans to close 225 stores by the end of 2014.

Amid the staggering growth in the number of long-term unemployed, the media has dropped the issue of extended jobless benefits, with next to no coverage of the impact of the ending of the program.

The cutoff of emergency jobless aid is only the latest in a series of sweeping attacks on bedrock antipoverty programs. On November 1, food stamps were slashed by \$11 billion, leading to benefit reductions for 46 million people. In January, Congress voted to slash an additional \$8.7 billion from food stamps. Thus, millions of long-term unemployed workers are not only being cut off from cash assistance, but are also being hit with reductions in food aid.



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact