



# 'Underemployed' not always counted.

## A broader view of the meaning of 'jobless'

By Stacey Burling

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After Tasha Evans graduated from Norristown High School in 2007, she tried finding a job, but time after time she heard the same things:

"We're not hiring right now." "You're one of many applicants." "You're not qualified."

Now, at 20, she has stopped looking for work and is looking at colleges instead, even though she would still like a job.

"I wouldn't have to ask my parents for money," she said wistfully.

John Cashman, a 35-year-old champion rower with a biochemistry degree, got laid off from an \$80,000-a-year tech job six months ago. Now the Princeton Township man is cobbling together a much-diminished living with landscape work, financial consulting and eBay sales while he searches for a full-time job.

In the dry lingo of federal economists, Evans is a "discouraged" worker - a subset of "marginally attached" workers, or people who have looked for a job in the last year but not in the last month - and Cashman is "part-time for economic reasons."

As the bad economic news piles up, most people focus on the unemployment rate. But economists say these other measures of *underemployment* are also important indicators of economic distress. They tend to rise with unemployment, compounding the negative numbers.

"When overall unemployment goes up, you actually see that group going up as well," said Rebecca Blank, a University of Michigan economist and visiting senior fellow with the Brookings Institution.

Unemployment dropped slightly, from 5.1 percent in March to 5 percent in April, the Bureau of Labor Statistics reported yesterday. The government said that 20,000 jobs were lost, fewer than economists had predicted and reason to hope that conditions are stabilizing.

But there's more to the picture.

Mark Price, a labor economist with Pennsylvania's Keystone Research Center, lists the ingredients for

what he terms "the most liberal definition of unemployment": people who are unemployed and looking for work, people who want jobs but have given up looking for one, and people who have taken part-time jobs because they can't find full-time work.

These measurements provide the broadest measure of labor underutilization, according to Price.

Last month, 9.2 percent of the workforce fell into one of these three categories.

These are among the numbers to watch if economic woes deepen, especially because the job market never fully recovered from the recession of 2001, Price said.

"If you become unemployed, it's increasingly difficult to get back in," said Mark Zandi, chief economist at Moody's Economy.com in West Chester.

Economists said the current economic distress cuts across more sectors than usual, with health care as a rare exception. That can make it hard to find a new job, even if you're willing to try something different. "There are lots of skilled workers who just don't see anything in this economy for them," said Eileen Appelbaum, director of the Center for Women and Work at Rutgers University.

The underemployment categories include unskilled workers, Appelbaum said, but also people who had good jobs in construction and manufacturing. "The minute that the economy picks up, those folks flood back into the economy, generally speaking," she said.

The government defines marginally attached workers as people who have looked for a job in the last year and say they still want one, but have stopped looking. Discouraged workers say they have quit looking because of the economy, while others in the category say they have quit for family or other reasons.

"It's hugely psychologically demoralizing to be in this category," said Roberta Iversen, a poverty and labor-policy expert at the University of Pennsylvania.

Discouraged workers have made up 0.2 to 0.4 percent of the workforce for the last few years. Last month, the Bureau of Labor Statistics said there were 412,000 of them, up 13,000 from April 2007.

The percentage of the workforce that is part-time for economic reasons rose to 3.4 percent last month from 2.9 percent April 2007. The number of people in this group has been rising since 2006 and now totals 5.2 million. It grew by 849,000 between April 2007 and April 2008.

On average, people who are unemployed have been out of work 16.9 weeks, about the same as in April 2007.

The 19 percent increase over the last six months in the number of people working part-time because of slack business conditions is the biggest in six years, according to Bloomberg News.

Job counselors said many laid-off employees in this region could still find jobs. "I can tell you there are jobs out there and our candidates are landing them," said Kathy Smith, vice president and lead career-management consultant for Right Management Inc. in the greater Philadelphia market.

Smith, whose company works for firms that are downsizing, said her clients tended to be well-educated, many with management experience. They have ranged from research scientists to credit analysts. Most

are finding jobs at the same or better pay in about the same amount of time it took last year, she said.

Those who are struggling often have what job counselors gently refer to as "barriers" to employment. They may have worked in a downsized industry. Some may not have a clear idea of what they would like to do, or have rigid, unrealistic job and pay goals. Some job hunters are relying too much on resumes they send out on the Internet and too little on networking.

Older workers, especially those with limited computer skills, may face discrimination, the counselors said. Some who give up are depressed or shy or have personal problems - a contentious divorce, for example, or lingering anger from a layoff - that make it hard for them to project the energetic optimism employers like, the counselors said.

"The emotional and mental part of this is a huge part of your success," said Bob Rosanio, senior career consultant with Jewish Employment and Vocational Services in Philadelphia. ". . . People hire people who look like they're confident."

That can be tough to pull off after weeks of rejection and bad economic news. Rosanio believes the frustration level is higher among the jobless now than during the last recession. "I think the whole view of where the country is going is not a very positive one," he said.

". . . Right now, people are struggling with hope."

Tasha Evans thinks it's time to get more skills. She says she has applied to several local colleges and hopes to work eventually in forensic science or pathology. Now, she has to figure out how to get financial aid.

Cashman is making a "subsistence" living while he looks for better-paying work. He remains optimistic that he will find a good job. "I am not going to be unemployed for the rest of my life," he said. "Eventually, whether it's next week or six weeks from now or a year from now, I will get some kind of employment."

A former member of the U.S. national rowing team whose team won two world championships, Cashman doesn't mind manual labor and says he gets a real sense of accomplishment from landscaping. And, he's in better shape now than he was when he had a desk job. That's a good thing, since he no longer has health insurance.

"I've lost so much weight," he said. "That's like the only benefit."

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