

UNEMPLOYMENT CLAIMS GO UP, BUT STILL LOW OVERALL



The last week has seen the number of unemployment claims filed in the United States increase, but even with the increase, the overall number is still relatively low when compared to data from the last five years.

We spoke to two experts to learn why the unemployment numbers are currently low, and what this means for the economy.

A lot of people who are employed work part time or at menial service jobs at locations such as fast food restaurants or small retail stores. We're not looking at the solid manufacturing jobs that we used to have before globalization, so any unemployment data we see is deceptive. While everything may seem to be positive or bright, in reality many people are only semi-employed and working at jobs from which they cannot feed their families.

Even if the total unemployment numbers may seem low, there are many recent unemployment claims, and prospects for those newly unemployed are fairly grim. For those seeking to change jobs, they can raise their chances of finding new employment if they're experienced in high-demand fields, such as nursing, home care, Internet development and marketing, or engineering. Other than that, the prospect of finding new work is relatively grim.

Ian Aronovich, Cofounder and CEO

governmentauctions.org

As I am sure you know, the unemployment numbers represent only those individuals who are eligible for, and actively collecting, unemployment benefits. The data suggests that the underlying problems are far more serious for a number of reasons:

- People are leaving temporary summer jobs and applying for benefits. Employment always spikes in the summer. Many more will be competing for fewer jobs.
- New claims rise; but the overall number drops. It is presumed that many people have simply exited the market, most likely out of frustration from an extended job search. For those new to job search, the message then is to be bold, aggressive, and relevant. And to move quickly because anecdotal data suggests that the longer you are out on the beach the greater the barriers to reentry.
- It is possible but unlikely that the job market and the economy have dramatically improved, or alternatively, there are just many more jobs. That is, in part, what is happening. New jobs are being created but they are lower skill and lower paying options; the "fast-food" career track. In order to identify and secure higher paying professional roles, skills must be current and a commitment must be demonstrated to working hard and adding immediate value.

Roy Cohen

Career Coach and author of The Wall Street Professional's Survival Guide.