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County jobless rate in January highest since '94

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FAIRFIELD COUNTY - The county's unemployment rate for January spiked to levels not seen in 15 years.

And the influx of unemployed residents has started to overwhelm the agency charged with providing assistance to the jobless.

Fairfield County had a 7.9 percent unemployment rate for January, up from 6.4 percent in December. It was the highest level since January 1994 when the county's unemployment rate hit 8.6 percent.

Fairfield County Job & Family Services Director Mike Orlando said the number of people who need assistance is increasing, but the funding and available resources for the agency are decreasing.

"Right now, it's becoming increasingly difficult to meet the need," Orlando said. "We clearly are not going to be able to meet the needs of families that have been affected by the economic downturn."

The county's 1.5 percent jump in unemployment from December to January equates to 1,000 newly unemployed county residents. Fairfield County still fared better than most Ohio counties in January, ranking 78 of 88. Huron County ranked first in the state with the highest unemployment rate at 18.3 percent.

JFS provides assistance to unemployed residents through services such as food stamps and Medicaid.

Orlando said all services are at maximum capacity, forcing the agency to turn away some residents in need.

"We've been stretched beyond any reasonable amount," Orlando said. "We have to tell some to 'Come back tomorrow' but that doesn't put food on the table or give them health care. The problem is we are no longer meeting basic human needs for families."

Ohio Department of Job and Family Services Public Information Officer Brian Harter said the state's call center struggled to handle the call volume in January.

The call center, which is the system people call to claim unemployment benefits, averaged about 7,500 calls per week in 2008. But the center had 80,000 one week in January.

"It's like taking water from a fire truck and putting it through a garden hose," he said. "It's just unprecedented."

Harter said the sectors that saw the largest losses in January were manufacturing and retail service.

Orlando said he did not know what sectors were hit the hardest locally, but believes some of the newly unemployed are commuters. More than 50 percent of adults work outside of Fairfield County.

"Layoffs in neighboring counties affect us," Orlando said. "It's a contributing factor because so many residents commute outside the county."

The state's unemployment compensation fund ran out of money Jan. 12 forcing the Ohio Department of Job and Family Services to borrow \$500 million from the federal government. The state legislature could raise the employer tax, or taxable wage base, to increase funds helping the unemployed.

Lancaster Fairfield Chamber of Commerce President Travis Markwood said increasing the tax could hurt local businesses.

"It's just more out-of-pocket dollars, which would affect profits," he said. "(An increase) is probably not included in a lot of folks budgets."

Fairfield County Economic Development Director Bill Arnett said the January unemployment rate is bad, but the county still is better off than most in Ohio.

"I think it's still safe to say that based on our diverse business economy. We are still in a stronger position than the state or nationally," he said.