Haley: SC Unemployment Tied To Grads, Retirees

Jim Davenport, Associated Press

LEXINGTON, S.C. (AP) — South Carolina Gov. Nikki Haley on Thursday said recent college graduates, cash-strapped retirees, laid-off middle-aged workers and skills shortfalls are at the heart of the state's nearly worst-in-the-nation unemployment rate.

Haley, speaking at her hometown Rotary Club in Lexington, also said she wants to require drug testing for people who get the unemployment benefits they've earned while working.

Joblessness is a headache for Haley. In July, South Carolina's unemployment rate was 10.9 percent, tying it for the nation's third worst with Michigan behind Nevada and California.

Haley said that's because the state's labor force has grown.

"You have college students who have now entered the workforce that need jobs and don't have them. We have people who have been let go in their mid-50s who suddenly are getting back into the work force and having to figure out what they're going to do because they can't work in that same industry," Haley said. "And more than anything, we also have people who thought they had retired — thought that they had enough money to live off of — and no longer have it. So they are now having to get back into the work force."

Haley pointed out she's announced 11,491 jobs and $1.7 billion in investments.

"That's a lot of jobs. But why are we still having the problems? Because we have companies that need workers. And we have workers that need jobs and we don't have the training to match them up," Haley said.

When Haley took office in January, the state's jobless rate was 10.5 percent. Bureau of Labor Statistics figures show the work force has grown by about 2,700 people since then. Meanwhile, 9,200 people have been added to unemployment rolls that now total more than of more than 236,000.

Haley said unemployment is tied to training gaps, too.

"So what you're going to see us doing in this next is a full-force training program. We are going to do everything we need to get these people back to work. Everything we need to get them trained," Haley said.

She promised to start a program by next year that will provide incentives for people seeking unemployment to upgrade their skills. She said details are still being worked out on costs and how the incentives would work.

Haley also is working out details on how the state can require drug testing for people getting unemployment benefits. Haley said half the applicants for hundreds of jobs at the Savannah River Site failed drug tests.

The company did not immediately respond to questions about the failures.

"I so want drug testing," Haley said. "It's something I've been wanting since the first day I walked into office."

South Carolina's unemployment agency has said that drugs are a minuscule factor in jobless claims. A 2009 estimate put the rate at 0.3 percent.

The Legislature is considering a drug-testing measure this year would cut off benefits if an applicant failed a potential employer's drug screening test.

Advocates for the state's poor and unemployed question say it's wrong-headed. It's a waste of money in a cash-strapped state, said Sue Berkowitz, executive director of the advocacy group South Carolina Appleseed Legal Justice Center.

"That is a terrible use of resources when we should be putting any of our state resources into helping people who have been devastated because of the lack of jobs," Berkowitz said. "The average South Carolinian should be wondering what South Carolina leaders are thinking about us as people."

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