

# U.S. Job Seekers Exceed Openings by Record Ratio

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Despite signs that the economy has resumed growing, unemployed Americans now confront a job market that is bleaker than ever in the current [recession](#), and employment prospects are still getting worse.

Job seekers now outnumber openings six to one, the worst ratio since the government began tracking open positions in 2000. According to the Labor Department's latest numbers, from July, only 2.4 million full-time permanent jobs were open, with 14.5 million people officially unemployed.

And even though the pace of layoffs is slowing, many companies remain anxious about growth prospects in the months ahead, making them reluctant to add to their payrolls.

"There's too much uncertainty out there," said Thomas A. Kochan, a labor economist at [M.I.T.](#)'s Sloan School of Management. "There's not going to be an upsurge in job openings for quite a while, not until employers feel confident the economy is really growing."

The dearth of jobs reflects the caution of many American businesses when no one knows what will emerge to propel the economy. With unemployment at 9.7 percent nationwide, the shortage of paychecks is both a cause and an effect of weak hiring.

In Milwaukee, Debbie Kransky has been without work since February, when she was laid off from a medical billing position — her second job loss in two years. She has exhausted her unemployment benefits, because her last job lasted for only a month.

Indeed, in a perverse quirk of the unemployment system, she would have qualified for continued benefits had she stayed jobless the whole two years, rather than taking a new position this year. But since her latest unemployment claim stemmed from a job that lasted mere weeks, she recently drew her final check of \$340.

Ms. Kransky, 51, has run through her life savings of roughly \$10,000. Her job search has garnered little besides anxiety.

"I've worked my entire life," said Ms. Kransky, who lives alone in a one-bedroom apartment. "I've got October rent. After that, I don't know. I've never lived month to month my entire life. I'm just so scared, I can't even put it into words."

Last week, Ms. Kransky was invited to an interview for a clerical job with a health insurance company. She drove her Jeep truck downtown and waited in the lobby of an office building for nearly an hour, but no one showed. Despondent, she drove home, down \$10 in gasoline.

For years, the economy has been powered by consumers, who borrowed exuberantly against real estate and tapped burgeoning stock portfolios to spend in excess of their incomes. Those sources of easy money have mostly dried up. Consumption is now tempered by saving; optimism has been eclipsed by worry.

Meanwhile, some businesses are in a holding pattern as they await the financial consequences of the health care reforms being debated in Washington.

Even after companies regain an inclination to expand, they will probably not hire aggressively anytime soon. Experts say that so many businesses have pared back working hours for people on their payrolls, while eliminating temporary workers, that many can increase output simply by increasing the workload on existing employees.

"They have tons of room to increase work without hiring a single person," said Heidi Shierholz, an economist at the [Economic Policy Institute](#) Economist. "For people who are out of work, we do not see signs of light at the end of the tunnel."

Even typically hard-charging companies are showing caution.

During the technology bubble of the late 1990s and again this decade, [Cisco Systems](#) — which makes Internet equipment — expanded rapidly. As the sense takes hold that the recession has passed, Cisco is again envisioning double-digit rates of sales growth, with plans to move aggressively into new markets, like the business of operating large scale computer data servers.

Yet even as Cisco pursues such designs, the company's chief executive, [John T. Chambers](#), said in an interview Friday that he anticipated "slow hiring," given concerns about the vigor of growth ahead. "We'll be doing it selectively," he said.

Two recent surveys of newspaper help-wanted advertisements and of employers' inclinations to add workers were at their lowest levels on record, noted Andrew Tilton, a [Goldman Sachs](#) economist.

Job placement companies say their customers are not yet willing to hire large numbers of temporary workers, usually a precursor to hiring full-timers.

"It's going to take quite some time before we see robust job growth," said Tig Gilliam, chief executive of Adecco North America, a major job placement and staffing company.

During the last recession, in 2001, the number of jobless people reached little more than double the number of full-time job openings, according to the Labor Department data. By the beginning of this year, job seekers outnumbered jobs four-to-one, with the ratio growing ever more lopsided in recent months.

Though layoffs have been both severe and prominent, the greatest source of distress is a predilection against hiring by many American businesses. From the beginning of the recession in December 2007 through July of this year, job openings declined 45 percent in the West and the South, 36 percent in the Midwest and 23 percent in the Northeast.

Shrinking job opportunities have assailed virtually every industry this year. Since the end of 2008, job openings have diminished 47 percent in manufacturing, 37 percent in construction and 22 percent in retail. Even in education and health services — faster-growing areas in which many unemployed people have trained for new careers — job openings have dropped 21 percent this year. Despite the passage of a stimulus spending package aimed at shoring up state and local coffers, government job openings have diminished 17 percent this year.

In the suburbs of Chicago, Vicki Redican, 52, has been unemployed for almost two years, since she lost her \$75,000-a-year job as a sales and marketing manager at a plastics company. College-educated, Ms. Redican first sought another management job. More recently, she has tried and failed to land a cashier's position at a local grocery store, and a barista slot at a [Starbucks](#) coffee shop.

Substitute teaching assignments once helped her pay the bills. "Now, there are so many people substitute teaching that I can no longer get assignments," she said.

"I've learned that I can't look to tomorrow," she said. "Every day, I try to do the best I can. I say to myself, 'I don't control this process.' That's the only way you can look at it. Otherwise, you'd have to go up on the roof and crack your head open."

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