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Arkansas' jobless rate <u>during April fell to 7.1%</u> [2], but the rate does not show the full picture of the state's workforce health.

Kathy Deck, director of business and economic research at the Walton College of Business at the University of Arkansas, said underemployment has remained in the double digits even as an economic recovery has appeared to gain traction.

The term "underemployed" refers mainly to workers who are part-time but wish to be full-time or workers who are only marginally attached to their jobs, she said.

Deck said the number of unemployed or underemployed in Arkansas stood at 13.4%, while nationally the figure was 14.5% for the month of April. The number, referred to as the U-6 by the U.S. Bureau of Labor Statistics, reflects the total unemployed plus "all marginally attached workers" and those "employed part time for economic reasons. (<u>Link here [3]</u> for underemployed data from the U.S. Bureau of Labor Statistics.)

Some of those who are underemployed are individuals who have some college education or degrees, she said.

"When people are college educated or have some college but can't get jobs, that's human capital that's being wasted," she said. "Those are wasted resources that we don't want, that cause our economic prosperity to be lower than it would be otherwise."

In Oklahoma the U-6 rate in April was 9.8%, and reached 12.2% in Missouri.

And it is not only those working in part-time positions looking for full-time work who may be underemployed.

A national poll of 1,000 adults conducted by YouGov and The Huffington Post show that 29% of respondents answered yes when asked, "In the past five years, have you worked in a job that was below your skill level because you couldn't find a job that fit your skill level?"

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The same poll showed 20% of respondents answered yes when asked if they had taken part-time work even though full-time work was desired and another 25% said their current job was a step down from their job five years ago.

Steve Schulte, president of Little Rock-based FirstStaff, said it was a trend his company was seeing, especially in the Fort Smith area.

"The vast majority are coming in unemployed and a smaller percentage would be those looking to change employment," he said, adding that the changing employment situation in Fort Smith had changed the dynamics of his organization's applicants.

"A lot of the manufacturers, especially in Fort Smith, have displaced a lot of people looking for work," he said. "It's not just manufacturers, but supporting companies that provided products to those manufacturers, as well."

Typically, employers have used Schulte's employment agency to fill positions temporarily.

"Primarily, temporary work is a bridge to permanent work, or regular work and so a significant number of our temporary employees will get hired by the client where we send them," he said.

But for the vast majority of individuals who are looking for full-time employment at firms like FirstStaff, moving from a temp to a full-time employee with benefits may not be as easy as expected.

That, Schulte said, is because his clients are not transitioning as many temps into full-time works as they were before the recession began.

"Our client companies are more hesitant to convert a temporary employee to a typical (full-time) employee," he said. "They are leaving them (as a temp) for a longer period of time and being more deliberate in those decisions."

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He said the reason for the resistance to moving the underemployed temps to full-time employees tied directly back to the uncertain economy experienced in the United States since the recession began 2008.

"There's just a general uncertainty, not knowing whether they are going to need their current production levels or if things are going well, how long that is going to last."

For students graduating high school or adults looking to freshen their resume, Deck said it was important to make themselves marketable and desirable in order to avoid falling into the underemployment trap found by 13.4% of all Arkansans.

"You hear a lot of people say follow your passion, but you should also be sure that passion has gainful employment or a likelihood to avoid being underemployed," she said.

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