

DailyRecord.com

President Obama's NJ visit comes as businesses struggle in dour economy

By RAJU CHEBIUM · Gannett Washington Bureau · July 27, 2010

President Barack Obama will discuss the national economy during a Wednesday visit to New Jersey, a state whose own economy is struggling to achieve sustained growth.

Obama will visit the Tastee Sub Shop in Edison where he will participate in a roundtable discussion about how small businesses can thrive, the White House said.

The president also is likely to discuss the financial regulatory reform bill he signed last week, new tax credits and other ways to help small businesses - those with fewer than 500 workers - improve their bottom line. The reform bill will create a new consumer financial protection agency and ramp up federal oversight of Wall Street.

In his weekly radio address on Saturday, the president called financial reform a "pillar" of his economic plan, which also calls for increasing federal help to small employers.

"It's a plan based on the Main Street values of hard work and responsibility," Obama said. "Instead of giving tax breaks to corporations that ship jobs overseas, we want to give tax breaks to small-business owners who are creating jobs right here in America. Already, we've given small businesses eight new tax cuts, and have expanded lending to more than 60,000 small-business owners."

The 9.5 percent unemployment rate is the biggest economic and political headache for Obama and congressional Democrats, analysts say. Only North Dakota, the District of Columbia and Alaska have gained jobs under Obama's watch.

The Garden State's unemployment rate was 9.6 percent last month. That's a slight improvement from the 9.9 rate in January. Though the state has added 4,000 private-sector jobs this year, New Jersey has lost 85,600 jobs since Obama began his term in January 2009.

Katie DeVito, founder of the NJ Unemployed Web site to support out-of-work state residents, said the 200 daily visitors to the site agree jobs are opening up but the pace is slow and the growth sporadic. Competition for new jobs is fierce and people find it hard to land initial interviews, she said.

"I see more jobs at the job boards and job-posting sites," said DeVito, who set up www.njunemployed.com in April after losing her job at a nonprofit organization. "But I'm still hearing from people that companies are letting people go or they're cutting salaries. So it's still happening, but not as much as in the past."

New Jersey's unemployment rate overshadows other encouraging signs for the economy, such as modest expansion in the manufacturing sector and some growth in the auto and housing markets. And retail sales numbers in the state are uneven from one month to the next.

The bright spot, according to William Dudley, president and CEO of the Federal Reserve Bank of New York, is that private companies in New Jersey appear to be hiring again - slowly.

Advertisement

USA TODAY
AutoPilot 
 The new travel app for iPhone® and iPod touch®
 Presented by: 
SEE HOW IT WORKS >>

Print Powered By  FormatDynamics™