

Burlington's unemployment rate: one of highest in North Carolina

There are more than 4,000 jobless people in the Burlington

Lindsay Fendt
Reporter

Elon junior Roger Black remained in Burlington this summer with the intention of finding a job. He had already been promised a position at Red Bowl Asian Bistro before heading home to Atlanta until the lease on his apartment began in June.

"When I came back, I went to Red Bowl and the manager told me that he could not fit me into the schedule and that I needed to look for another job," Black said.

But finding a job in Burlington proved to be more difficult than he anticipated.

"I went to dozens of different places," Black said. "I applied to everywhere I was qualified for, and at most of the places there was someone else there filling out an application with me."

Black is not alone in his job search. According to Bureau of Labor statistics, there are more than 4,000 jobless people in Burlington bringing the unemployment rate to 12.2 percent — one of the state's highest.

"One of the key reasons for the higher rate here is our reliance on manufacturing jobs," said Robert

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- Roger Black
ELON UNIVERSITY JUNIOR

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Harkrader, the director of planning and economic development for the city of Burlington. "It has been one of the hardest areas hit in the economic downturn."

Manufacturing is Burlington's third largest industry and according to the BLS, it has seen one of the largest drops in employment.

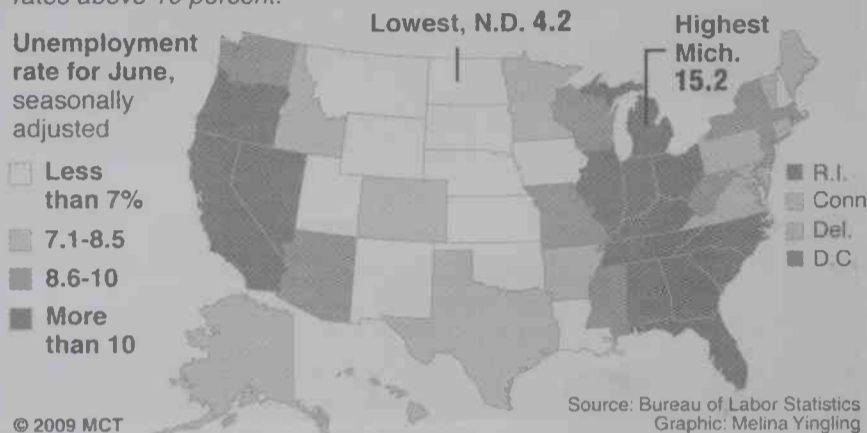
According to Tom Tiemann, the department of economics chair at Elon, the size of the city's manufacturing sector is an issue that will keep the unemployment high for sometime after the recession.

"It will stay higher than in most of the state and nation," Tiemann said. "In the long run, the entrepreneurs in town will find new ways to make a profit and things will recover."

While many of Burlington's economic woes can be attributed to the state of the national economy, Harkrader still says the city's government is doing whatever

Jobless rate by state

The national rate for unemployment in June was 9.5; 15 states had rates above 10 percent.



GRAPHIC COURTESY OF MCT CAMPUS
The jobless rate in North Carolina is more than 10 percent. Burlington's unemployment rate is 12.2 percent one of the state's highest. Michigan has the highest unemployment rate with 15.2 percent

it can to create more jobs.

"We try to bring new capital investments into the city," Harkrader said. "We just need to get out of this funk with the national economy."

While manufacturing jobs have been the most affected, students shouldn't expect to have an easy time finding a part-time job upon returning to school.

"You can tell just by walking around Burlington that it's not doing well," Black said. "There are businesses closing everywhere. Nowhere has a 'now hiring' sign up."

Even student jobs on campus have

taken a hit. Last year Elite cut the jobs of more than half of its student workers.

Students who rely on part time employment to help pay for college will be greatly hurt by the rise in unemployment, but in general Elon has been surprisingly unaffected by the recession.

"A Few students I know of have transferred to lower cost colleges," said Tiemann, "and budgets for supplies, travel etc. are tight, but compared to most other colleges, things are good."

Obama bill makes financial aid application simpler for college applicants

Nneka Enurah
Reporter

The Obama administration has requested billions of dollars in new scholarships and credit along with a less complicated financial aid application which looks to make a college education more accessible for students.

Experts say 16 million families struggle with the application process for federal aid and "an estimated 1.5 million enrolled students who are probably eligible for Pell grants failed to apply."

The new bill aims to simplify the current Federal Application for Student Aid, eliminating questions that have no real bearing on a student's eligibility for federal aid. The current form consists of 153 questions, and millions of students and their families find it difficult to complete the application.

The bill also hopes to invest money into historically black colleges and universities as well as hispanic-serving institutions. Additional changes include an increase in the minimum amount of the Pell Grant, which is \$490 now and will be raised to \$690. It will also put \$6 billion into Perkins Loans.

Although some feel the proposed changes will benefit students, Patrick Murphy, the director of Financial Planning at Elon University, said he believes some of the changes presented could be harmful.

One of the first concerns that Murphy has involves the asset cap of \$150,000 for students requesting need-based aid. This cap would prohibit students from receiving any need-based grants, loans or work assistance.

"It is not difficult for a family that

has low income to acquire assets of up to \$150,000," Murphy said.

The new cap, which would go into effect July 1, 2011, could exclude families that otherwise would qualify for need-based aid.

The new bill also calls for drastic changes to the student loan program. Currently there are two ways in which students can get a loan. The school can act as the lender by direct lending, or a bank can lend the funds under the Federal Family Education Loan Program.

Another issue that Murphy has with the proposed bill is that it plans to do away with FFELP.

"Customer service would decrease if more schools were forced to handle all the loans themselves," Murphy said. "Some institutions might not be able to handle the new work load."

The bill will also eliminate subsidized Stafford loans to graduate and professional students after July 1, 2015. Murphy said currently, graduate students are eligible for \$85,000 in subsidized loans and an additional \$12,000 in unsubsidized loans.

Loans the government pays the interest on until a student is out of school are subsidized and are much more affordable in the long run. Eliminating unsubsidized loans as an option for graduate students could be a deterrent to students who would otherwise pursue graduate programs.

There are still a number of changes that must be addressed with the new bill.

"Elon is going to do whatever it can do to make the transition unnoticeable to students and will continue to serve the students and their families to the best of its ability," Murphy said.

Two Elon schools to aid Veterans' scholarships

Margeaux Corby
Reporter

Two of Elon University's graduate programs will participate in a new scholarship agreement meant to improve financial aid for veterans returning to school.

Elon's school of law and physical therapy will each offer three \$5,000 scholarships to veterans. The money would be matched by funds from the Department of Veterans Affairs (VA) giving veterans an upwards of \$10,000 extra in scholarship money.

"We targeted where we know we had veterans who could take advantage of the program," said Pat Murphy, director of financial planning.

Murphy, who spearheaded the effort after attending a conference in January, said school officials have not yet finalized the parameters of applicant selection but they will most likely follow the lead of other schools that operate on a first-come-first-serve basis.

The Yellow Ribbon Program is a provision of the newly established Post-9/11 GI Bill program, which was enacted to help provide aid to those service men and women seeking higher education. The Post-9/11 GI Bill only funds tuition expenses at the highest public in-state undergraduate tuition rate. Under the Yellow Ribbon program, veterans are eligible to receive additional funding from the Department of Veteran Affairs that matches financial contributions made by the institution.

"The purpose behind the yellow ribbon is to allow students to have better options and go to better schools," Murphy said.

He said administrators will wait and see how the program runs this year before making any plans to extend scholarship opportunities to other graduate schools or the undergraduate student body.

VA officials said the Yellow Ribbon Program is another pivotal step in providing opportunities to veterans after their service time is finished.

"The Post-9/11 GI Bill is an important part of fulfilling our promise to the men and women who have served our country so honorably," said VA Secretary Eric Shinseki in a recent statement. "Implementing this landmark legislation and providing even more veterans with a quality education is a top priority for the VA, and we are grateful so many schools are joining us as partners in this unprecedented effort."

Elon is joined by 44 other North Carolina private and public universities and colleges planning to provide financial incentives to veterans.

Wake Forest's Babcock Graduate School of Management is offering 10 additional \$6,000 scholarships under the Yellow Ribbon Program and North Carolina State University is offering 25 additional \$4,200 graduate and doctoral scholarships.

Veterans' eligible for the Yellow Ribbon Program includes those who served at least 36 months on active duty or served at least 30 continuous days and were discharged to a service-related injury.

The program takes effect August 1 and more information can be found at www.gibill.va.gov.