Displaced Coal Miners Face Slim Job Prospects

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LOUISVILLE, Ky. (AP) — Hundreds of eastern Kentucky miners let go by Arch Coal Inc. this week are facing slim prospects as they look for opportunities to replace those high-wage jobs in a region plagued by stubbornly high unemployment.

"It's a tough, tough situation," said Jeff Whitehead, executive director of the Eastern Kentucky Workforce Investment Board, a nonprofit group that matches employers with people looking for work. "Eastern Kentucky doesn't have a real diverse economy."

Whitehead estimated Friday that about 1,500 miners have been laid off this year in his 23-county region in the heart of the eastern Kentucky coalfields. The biggest setback came Thursday, when Arch said it was cutting about 750 jobs in Kentucky, Virginia and West Virginia. The bulk of the cuts, almost 600, are in eastern Kentucky.

The area's coal miners on average make up to $70,000 a year, Whitehead said. Few jobs come close to matching that income, he said.

"I just see no prospects for them at this time," said Knott County Judge-Executive Randy Thompson.

St. Louis-based Arch blamed the layoffs on market pressures and a challenging regulatory environment that it said has pushed U.S. coal consumption to a 20-year low. Utilities increasingly are switching from coal to natural gas to generate electricity. Natural gas has become cheaper as supplies grow, and it produces fewer emissions of toxic chemicals and gases that contribute to climate change.

In Knott County, among the Appalachian Kentucky counties hit by the Arch layoffs, most of the jobs are at mom-and-pop stores that offer minimum wage or slightly higher, he said.

The county will lose about 250 jobs from the Arch cutbacks, accelerating the decline in mining work, Thompson said. The county had already lost another 250 or so mining jobs in the past year. The county is left with little active mining work, he said.

Coal has been the only industry in the county, where the jobless rate was 12.5 percent in May. That rate doesn't reflect the number of people who have given up finding work, he said, estimating nearly one in five adults is out of work in the county.

The decline of coal production is as devastating as the loss of the Toyota plant would be to Georgetown in central Kentucky, he said.

"Go in today and just say, 'All right, everybody is laid off' and see how that affects Georgetown," he said. "It becomes a ghost town. That's what's happened to Knott County."

The job losses will have ripple effects for merchants in the small towns hit by the layoffs.

Jeff Blair, a funeral home director in Knott County, said mining layoffs have caused more people to fall behind in paying off funeral bills as they try to scrape together enough money to pay for food and electricity, he said.

"We'll have people come in and say, 'Look, times have gotten hard. I've lost my job. I can't pay you guys.'"

Coal mining jobs in Kentucky have dropped from 17,800 in May 2009 to 15,600 last month, according to figures from the state Office of Employment and Training. In May 1992, the work force was 24,400. Eastern Kentucky is the state's chief coal producer, but the resource is also mined in portions of western Kentucky. Kentucky has been the nation's third-leading coal producer, behind Wyoming and West Virginia.

Kentucky Gov. Steve Beshear said he was "extremely disappointed and disheartened" by the layoffs. He said the state will dispatch teams to assist displaced Arch workers in seeking new work or training to gain new skills. The teams also will make sure the affected families are aware of available state and federal assistance, he said.

"We will adapt the roles and services of these teams as needed to make certain that our affected families are equipped to handle this challenge," Beshear said.

Whitehead, whose group also helps steer people into job training, said some laid-off coal workers will eventually find new mining work, since some of the coal market downturn is due to the mild winter. But others won't return to the mines and will have to find new careers.

The immediate job prospects are rather bleak, he said, but there are opportunities.

Some miners have pursued training for work in the growing health-care sector, he said. Other opportunities have included roles as truck drivers, telecommunications linemen and customer service representatives. There are also pockets of manufacturing in the region.

Others will gain new skills that eventually take them out of the region, he said.

Thompson worries that as mining jobs dwindle, the region could face another outmigration as people seek opportunities elsewhere.

"I see another exodus like we saw in the '60s and '70s from east Kentucky at that

time to Detroit," he said. "Except there's no Detroit to go to" because of the auto industry's decline. "I'm not sure what people are going to do."

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