SATURDAY, SEPTEMBER 4, 2010



Brian Kelly leads Notre Dame onto the field for the first time today; U-M, MSU open their seasons. Sports, D1



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'It's a fun time again'

HIRING FINALLY APPEARS TO BE ON THE RISE

BY CHRISTOPHER S. RUGABER

THE ASSOCIATED PRESS

Employers hired more workers over the past three months than first thought, a glimmer of hope for the weak economy ahead of the Labor Day weekend.

But the unemployment rate rose because not enough jobs were created to absorb the growing number of people looking for work.

Companies added a net total of 67,000 jobs last month and both July and June's private-sector job figures were upwardly revised, the Labor Department said Friday.

- White House's "recovery summer" fails to materialize, **A5**
- Stocks surge on jobs report, B1

In Grand Rapids, that played out at a forklift dealership.

Morrison Industrial Equipment Co., 1825 Monroe Ave. NW, has a "Hiring mechanics" sign outside because its manufacturing and materials-handling customers are busier.

Branch manager Chris Pincombe said he is interviewing for his third

new mechanic since June and will soon need more office help.

"It's a fun time again," he said at the 350-employee company based in Grand Rapids. "Eighteen months ago, it was only 'Who do we lay off this month?"

In all, 3,800 more people had jobs in the Grand Rapids area in July compared with a year ago, according to the state, reaching 352,100 workers.

Still, unemployment is a tough 11.9 percent in the statistical area of Kent, Barry, Ionia and Newaygo counties and 12.6 percent in Ottawa County.

While the jobs report hardly suggests the economy is out of danger,

An uplifting sign: Morrison Industrial Equipment Co. in Grand Rapids

it is a reassuring sign after weeks of of the country slipping back into troubling data and comes after some encouraging economic figures in the past week.

needs mechanics to work on forklifts.

Scott Brown, an economist at Raymond James, said he sees no sign

recession.

"You're still seeing broad-based job gains. It's not strong, but it's positive," Brown said.

SEE HIRING, A2

Families: Give us credit

Many low-, middle-income households desperate for Congress to renew expiring tax programs

> BY MONICA SCOTT THE GRAND RAPIDS PRESS

GRAND RAPIDS — Bethany Reed cried when she realized extra cash from expanded tax credits for families would help keep a roof over her 9-year-old daughter's head.

"We are all just one accident, cut job or pay away from being in trouble," said Reed, 30, a part-time assistant property manager pursuing a communications degree.

"I would probably be in foreclosure without that additional money to help make my house payments and other

But the clock is ticking on the aid, which expires at the end of the year.

The money that benefited Reed and millions of others nationally was part of the federal stimulus Congress passed last year to spark the damaged economy.

Two tax breaks for low- and middle-income families were expand- the Child Tax Credit and the Earned Income Tax Credit — making more people eligible for more money through 2010.

Since the tax credits are "refundable," recipients also can receive checks from the government.

For example, a low-wage earner with three children may owe less in taxes than the Child Tax Credit's



Sheltered: Bethany Reed and her daughter, Lily, 9, joke around on the porch of their Grand Rapids home, where they have lived since 2003. Reed said she could have lost her house without extra money from federal tax credits that are due to expire at the end of the year.

maximum \$1,000 per child. They are sent a check for the difference.

When Congress returns to work on Sept. 13, the Michigan League for Human Services and 24 other state groups will lobby to have the changes made permanent. The groups have written a letter to Michigan's congressional delegation seeking support.

Without the extension, Reed's daughter, Lily, would be among 584,000 Michigan children whose child tax credits will be reduced or eliminated.

For example: A working parent raising two kids could see his or her child credit cut from \$2,000 to \$547.50.

"This (extension) is needed desperately in Michigan and around the country," said Sharon Parks, president SEE CREDIT, A2

The programs

What: The federal Child Tax Credit and Earned Income Tax Credit reduce taxes owed by low- and middleincome families. They are refundable, meaning if the credits exceed taxes owed, a check for the difference is sent to qualified individuals.

The issue: Congress in 2009 expanded the Child Tax Credit — a maximum \$1,000 per child — to more families by lowering the minimum income threshold from \$8,500 to \$3,000 (would rise to \$12,850 in 2011). The Earned Income Tax Credit also was expanded to

WHY IT MATTERS

provide working families with three or more kids a larger credit — \$629 higher per family than a family with

two children. What's next: The expanded credits cover 2009 and 2010, but would disappear in 2011 unless Congress

extends them. **Pro:** The larger amounts help working families who continue to struggle from the economic downturn and are a boost to the

economy. Con: The country is in too much debt

to make the expansions permanent and cannot afford to give workers checks in excess of taxes they pay.

Prince's business covertly won U.S. contracts

Probe shows Blackwater created shell companies

BY JAMES RISEN AND MARK MAZZETTI THE NEW YORK TIMES

WASHINGTON - Blackwater Worldwide created a web of more than 30 shell companies or subsidiaries in part to obtain millions of dollars in U.S. government contracts after the security company came under intense criticism for reckless conduct in Iraq, according to congressional investigators and former Blackwater officials.

While it is not clear how many of those businesses won contracts, at least three had deals with the U.S. military or the Central Intelligence Agency, according to

former government and company officials. Since 2001, the intelligence agency has awarded up to \$600 million in classified contracts to Blackwater and its affiliates, according to a U.S. Erik Prince government official.



The company, now known as Xe Services, was founded by Holland native Erik Prince, who is no longer involved in Xe's day-to-day operations but still is chairman. He announced in Iune he was selling the company and last month moved to Abu Dhabi.

Current and former colleagues said Prince hoped to focus on security work from governments in Africa and the Middle East. They also said he was bitter about the legal scrutiny and negative publicity his company has received.

Sen. Carl Levin, D-Detroit, chairman of the Armed Services Committee, said in a statement that "it was worth looking into why Blackwater would need to create the dozens of other names" and said he had requested that the Justice Department investigate whether Blackwater officers misled the government when using subsidiaries to solicit contracts.

SEE BLACKWATER, A2

Foot traffic increases along 28th Street SE

New sidewalks bring praise from pedestrians, businesses

> BY MEREDITH SKRZYPCZA THE GRAND RAPIDS PRESS

As cars sped by Friday, Sheri Rickert briskly pushed the stroller carrying her ll-month-old grandson down the new stretch of sidewalk along 28th

The busy five-lane stretch of road was not "pedestrian-friendly" before construction that resurfaced it and added four miles of sidewalk from Kalamazoo to South Division avenues, she said.

"No one wanted to risk walking on the street," Rickert said, adding that, with construction mostly completed, she now feels safe taking her grandson on walks.

Next week, state and local officials

expect completion of the \$3.3 million project, which replaced worn footpaths and roadway in Grand Rapids and Wyoming.

trian bridge over Plaster Creek, signal upgrades and water main work. Wyoming officials said the project

was "absolutely" needed.

"It will be very nice to have nice new pavement, and it will be nice to have (a) continuous walk," said Russ Henckel, SEE SIDEWALKS, A2

Resurfacing and Alger St. sidewalk project The project also included a pedes-Plaster **Pedestrian** Creek **Bridge**

ICHIGAN

COMING SUNDAY: What would be the impact if Michigan became a "right-towork" state? The Press commissioned a Grand Valley State University economics professor to dig into the question.



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