

The Unemployment Emergency Continues for Women and Their Families – But Emergency Unemployment Benefits Are About to Expire

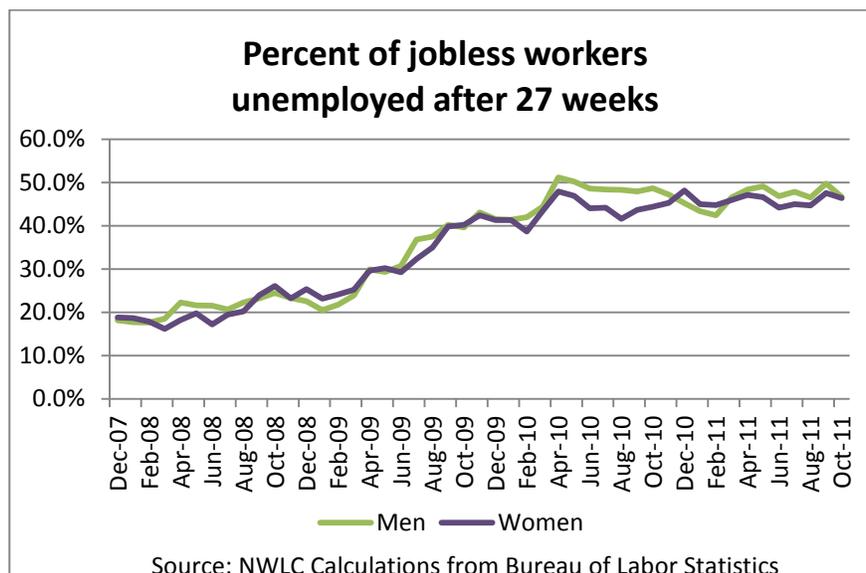
(November 2011)

Though the recession that began in December 2007 officially ended in June 2009, jobs data released for October 2011 by the Bureau of Labor Statistics reveal that the pain continues for millions of jobless workers and their families. The ranks of the long-term unemployed have reached historic levels; as of October, nearly half of all jobless workers had been unemployed for more than six months.¹ While the growth in jobs during the recovery has been anemic overall, it has been non-existent for women, who have lost jobs and seen their unemployment nationally increase since the recovery began.² Unemployment rates among single mothers, black women, and Hispanic women rose between 2009 and 2010; as of October 2011, unemployment rates for each of these groups were substantially higher than the overall unemployment rate of 9.0 percent.³ Widespread and prolonged unemployment have driven the numbers of women and children in poverty – and extreme poverty – to record levels.⁴

The Congressional Budget Office (CBO) projects that unemployment will remain well above 8.0 percent through 2013⁵ – but federal emergency unemployment benefits for long-term unemployed workers who have exhausted their state benefits are set to expire at the beginning of January in 2012.⁶ The grim unemployment picture for women, men and families demonstrates a clear need to renew federal benefits to help the long-term unemployed and boost the economy.

Long-term unemployment is at historic levels for women and men.

- When the recession officially ended in June 2009, the percentage of jobless workers out of work and seeking employment for 27 weeks or more was at 30.1 percent,⁷ a record high in the postwar period.⁸ Since then, the percentage has climbed to an astounding 46.5 percent in October 2011. Long-term unemployment among women has risen from 29.3 percent in June 2009 to 46.4 percent in October 2011 – more than a 17 percentage point increase.⁹ Men's long-term unemployment has shown a similar increase over this period.
- Many of the long-term unemployed have been looking for work for much longer than 27 weeks, making extended federal benefits critical for both women and men. For example, between July 2010 and June 2011, similar percentages of jobless women (22.5 percent) and jobless men (25.0 percent) were still looking for work after a year of searching.¹⁰



While the recovery has brought small job gains overall, women have actually lost ground.

- Between June 2009 and October 2011, while the economy added over 1.0 million jobs, women lost 117,000 jobs.¹¹
- Job losses in the public sector, which are continuing, are driving the severe job losses for women. Between June 2009 and October 2011, women lost 369,000 public-sector jobs, 63.8 percent of all the public-sector jobs lost.¹² During the same period, women gained just 252,000 private sector jobs, 15.7 percent of all the private sector job gains.
- The unemployment rate for women has risen during the recovery from 7.7 percent in June 2009 to 8.0 percent in October 2011.

Unemployment rates for women and men of color and for single mothers remain particularly high.

- Black women's unemployment rate was 12.6 percent in October 2011, a figure that remains near their average unemployment rate for 2010 (12.8 percent). Black women have not experienced another annual average unemployment rate this high in 25 years.¹³
- Hispanic women's unemployment rate was 10.5 percent in October 2011. In 2010, Hispanic women's average unemployment rate was 11.4 percent, their highest annual average unemployment rate in over 25 years.¹⁴
- The unemployment rate for women who head families was 12.3 percent in October 2011, a rate equal to their average unemployment rate in 2010 – their highest annual average rate since these figures were first recorded in the 1960s.¹⁵
- Unemployment rates for men of color have decreased somewhat since 2010, though they remain well above the national average. Black men's unemployment rate was 16.2 percent in October 2011, down from their average unemployment rate for 2010 (17.3 percent), which was their highest annual average unemployment rate in over 25 years.¹⁶ Hispanic men's unemployment rate was 9.8 percent in October 2011, down from their average unemployment rate for 2010 (11.7 percent), which was also their highest annual average unemployment rate in over 25 years.¹⁷

Continued emergency unemployment benefits are warranted by persistently high unemployment and long-term unemployment rates.

- On June 30, 2008, with unemployment at 5.6 percent,¹⁸ President Bush signed into law a new Emergency Unemployment Compensation program (known as EUC08) to extend unemployment benefits beyond the maximum 26 weeks generally provided through the standard federal-state unemployment insurance (UI) program. Congress has enacted similar emergency extensions during seven previous economic downturns over the past 50 years.¹⁹ As amended by subsequent legislation, the EUC08 program allows unemployed workers who have exhausted their state benefits to qualify for successive tiers of additional unemployment benefits. An individual may receive up to 20 weeks of tier I benefits; if she remains unemployed after exhausting tier I, she may be eligible for up to 14 weeks of tier II benefits. Tier III provides up to 13 weeks of additional benefits to workers who have exhausted tiers I and II and live in states with a total unemployment rate of at least 6 percent. Recipients who have exhausted the previous tiers and live in states with a total unemployment rate of at least 8.5 percent may qualify for up to six final weeks of benefits under tier IV.
- In addition, most states provide another 13 to 20 weeks of benefits under a separate permanent federal program called Extended Benefits (EB).²⁰ Historically, states were required to split EB costs evenly with the federal government, and few states chose to participate. However, under the 2009 American Recovery and Reinvestment Act (ARRA) and subsequent legislation, Congress authorized full federal funding for EB benefits, which incentivized more qualifying states (those with unemployment rates above 6.5 percent) to take up the optional program.²¹

- During the past 50 years, Congress has not allowed federal emergency unemployment benefits (like EUC08) to expire when the unemployment rate was above 7.2 percent – and the current unemployment rate is 1.8 percentage points higher than that.²²

Unless Congress extends them, federal unemployment benefit programs will expire in January 2012.

- Unemployed workers who had qualified for a tier I, II, III, or IV EUC08 benefit by the week ending on or before January 3, 2012 (i.e., by December 31, 2011) will be “grandfathered” for their remaining weeks of eligibility *for only that specific tier*. Those who exhaust state unemployment benefits after December 31, 2011 will not be eligible for EUC08 benefits at all. Federal funding for the EB program is also set to expire the first week in January, and workers receiving EB will face a hard cut-off of benefits as states terminate their programs over the course of the month.²³
- If federal benefits are not renewed for 2012, an estimated 1.8 million unemployed workers will prematurely face benefit cut-offs in January alone; over the course of next year, at least six million workers are likely to lose access to benefits.²⁴

Continuing federal UI benefits helps unemployed workers, their families, and the economy.

- Due in large part to federally funded benefits, UI kept over 3.2 million people (including nearly 900,000 children and over 1.0 million women) from falling out of the middle class and into poverty in 2010.²⁵
- Because recipients generally spend UI benefits quickly to meet basic needs, the benefits generate approximately two dollars in GDP growth for every federal dollar invested.²⁶
- Nationwide, UI benefits increased employment by an average 1.6 million jobs each quarter between mid-2008 and mid-2010.²⁷ The Economic Policy Institute estimates that 560,000 jobs will be lost in 2012 if federal UI benefits are not renewed.²⁸

With unemployment and long-term unemployment expected to remain extremely high through 2012 and beyond, there is a clear need to maintain federal unemployment benefits. Congress has never failed to extend benefits during a period of such high unemployment and it must not fail to do so now.

¹ Nat'l Women's Law Ctr. calculations from U.S. Dep't of Labor, Bureau of Labor Statistics (BLS) from the Current Population Survey (CPS), Table A-36: Unemployed persons by age, sex, race, Hispanic or Latino ethnicity, marital status, and duration of unemployment, not seasonally adjusted, <http://www.bls.gov/web/empsit/cpseea36.htm> (last visited Nov. 4, 2011) [hereinafter BLS Table A-36 (2011)]. Long-term unemployment calculated for workers ages 20 and older. *See also* Nat'l Women's Law Ctr., *Modest Recovery Largely Leaves Women Behind* (2011), http://www.nwlc.org/sites/default/files/pdfs/slowrecoveryfactsheetnovember_.pdf.

² Nat'l Women's Law Ctr., *Modest Recovery Largely Leaves Women Behind*, *supra* note 1.

³ U.S. Dep't of Labor, BLS from the CPS, Table A-1: Employment status of the civilian population by sex and age [hereinafter BLS Table A-1], Table A-2: Employment status of the civilian population by race, sex, and age [hereinafter BLS Table A-2], Table A-3: Employment status of the Hispanic or Latino population, sex, and age [hereinafter BLS Table A-3], and Table A-10: Selected unemployment indicators [hereinafter BLS Table A-10], *available at* <http://www.bls.gov/cps/cpsatabs.htm> (last visited Nov. 4, 2011). Rates for women are for individuals 20 and older. Rates for Hispanics and women who maintain families (single mothers) are not seasonally adjusted.

⁴ Nat'l Women's Law Ctr., *Poverty Among Women and Families, 2000-2010: Extreme Poverty Reaches Record Levels as Congress Faces Critical Choices* (2011), <http://www.nwlc.org/sites/default/files/povertyamongwomenandfamilies2010final.pdf>.

⁵ Cong. Budget Office, *The Budget and Economic Outlook: An Update* 31-32, 72 (2011), <http://www.cbo.gov/ftpdocs/123xx/doc12316/08-24-BudgetEconUpdate.pdf>.

⁶ Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Pub. L. No. 111-312, §501, 124 Stat. 3296, 3307 (2010).

⁷ Nat'l Women's Law Ctr. calculations from U.S. Dep't of Labor, BLS, Table A-36: Unemployed persons by age, sex, race, Hispanic or Latino ethnicity, marital status, and duration of unemployment, not seasonally adjusted, June 2009, 56 Emp. &

Earnings No. 7, at 46 (2009), available at <http://www.bls.gov/opub/ee/empearn200907.pdf> [hereinafter BLS Table A-36 (2009)] and Nat'l Women's Law Ctr. calculations from BLS Table A-36 (2011), *supra* note 1.

⁸ See Gerald Mayer & Linda Levine, Cong. Research Serv., Long-Term Unemployment and Recessions 3 (2010). This record is for individuals 16 and older.

⁹ Nat'l Women's Law Ctr. calculations from BLS Table A-36 (2009), *supra* note 7, and BLS Table A-36 (2011), *supra* note 1.

¹⁰ Gerald Mayer, Cong. Research Serv., The Trend in Long-Term Unemployment and Characteristics of Workers Unemployed for More than 99 Weeks 22 (2011) (Table A-3). Figures are for individuals 16 and older, not seasonally adjusted. Figures are averages of all months.

¹¹ Nat'l Women's Law Ctr., Modest Recovery Largely Leaves Women Behind, *supra* note 1.

¹² *Id.*

¹³ Nat'l Women's Law Ctr. calculations from BLS Table A-2, *supra* note 3.

¹⁴ Nat'l Women's Law Ctr. calculations from BLS Table A-3, *supra* note 3.

¹⁵ Nat'l Women's Law Ctr. calculations from BLS Table A-10, *supra* note 3.

¹⁶ Nat'l Women's Law Ctr. calculations from BLS Table A-2, *supra* note 3.

¹⁷ Nat'l Women's Law Ctr. calculations from BLS Table A-3, *supra* note 3.

¹⁸ Nat'l Women's Law Ctr. calculations from U.S. Dep't of Labor, BLS Table 1, *supra* note 3.

¹⁹ Katelin P. Isaacs & Julie M. Whittaker, Cong. Research Serv., Unemployment Insurance: Legislative Issues in the 112th Congress 2 (2011).

²⁰ States may determine whether EUC08 or EB is paid to beneficiaries first, but all states except Alaska pay EUC08 benefits before EB benefits. *Id.* at 3, note 11. EB benefits based on work in state and local government employment are considered "non-shareable" and are financed by the former employers, not the federal government. *Id.* at 4.

²¹ Nat'l Employment Law Project, Hanging on by a Thread 3 (2011), http://www.nelp.org/page/-/UI/2011/NELP_UI_Extension_Report_2011.pdf?nocdn=1.

²² *Id.* at 6.

²³ *Id.* at 7; see also Nat'l Employment Law Project, Explanation of Cut-Offs from Federal Unemployment Extensions in January 2012 (2011), <http://www.nelp.org/page/-/UI/2011/explanation.cutoffs.2012.pdf?nocdn=1>.

²⁴ Nat'l Employment Law Project, Hanging on By a Thread, *supra* note 21, at 6-7, 13. The total number of unemployed workers who will lose access to federal benefits includes EB recipients who will be cut off from assistance if full federal funding for EB is not renewed.

²⁵ Nat'l Women's Law Ctr. calculations from U.S. Census Bureau, CPS, Table Creator II, http://www.census.gov/hhes/www/cpstc/apm/cpstc_altgov.html (last visited Nov. 7, 2011). Figure includes all types of UI benefits.

²⁶ Wayne Vroman, Urban Institute & IMPAQ Int'l, The Role of Unemployment Insurance as an Automatic Stabilizer During a Recession iv (2010), http://wdr.doleta.gov/research/FullText_Documents/ETAOP2010-10.pdf.

²⁷ Heather Boushey & Matt Separa, Ctr. for Am. Progress, Unemployment Dollars Create Millions of Jobs (2011), http://www.americanprogress.org/issues/2011/09/ui_creates_jobs.html.

²⁸ Heidi Shierholz & Lawrence Mishel, Econ. Policy Inst., Labor Market Will Lose Over Half a Million Jobs if UI Extensions Expire in 2012 2 (2011), <http://www.epi.org/files/2011/ib318.pdf>.