

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

(October 2011)

Though the recession that began in December 2007 officially ended in June 2009, jobs data released for September 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 September, 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 ground since the recovery began.² Widespread and prolonged unemployment have driven the numbers of women and children in poverty – and extreme poverty – to record levels.³

The Congressional Budget Office (CBO) projects that unemployment will remain well above 8.0 percent through 2013⁴ – 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 2012.⁵ The grim unemployment picture for women, men and families demonstrates a clear need to renew federal assistance for the long-term unemployed.

Long-term unemployment has reached record levels.

- 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,⁶ a record high in the postwar period.⁷ Since then, the percentage has climbed to an astounding 48.7 percent. Long-term unemployment among women has risen from 29.3 percent in June to 2009 to 47.6 percent in September 2011 – more than an 18 percentage point increase.⁸ 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 men and women. For example, between July 2010 and June 2011, similar percentages of jobless men (25.0 percent) and jobless women (22.5 percent) were still looking for work after a year of searching.⁹

Women have lost ground since the recovery started and job losses in the public sector, which are continuing, have been the driving factor.

- Between June 2009 and September 2011, while the economy added 841,000 jobs, women lost 264,000 jobs.¹⁰
- During this period, women lost 407,000 public-sector jobs, 71.2 percent of all the public-sector jobs lost.¹¹

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,¹² 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.¹³
- 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 1.9 percentage points higher than that.¹⁴

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

- 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.¹⁵

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

- Due in large part to federally funded benefits, UI benefits kept 3.2 million people (including 900,000 children) from falling into poverty in 2010.¹⁶
- Because recipients generally spend UI benefits quickly to meet basic needs, the benefits generate approximately \$2 in GDP growth for every federal dollar invested.
- Nationwide, UI benefits increased employment by an average 1.6 million jobs each quarter between mid-2008 and mid-2010.¹⁷

With unemployment and long-term unemployment expected to remain extremely high through 2012 and beyond, there is a clear need to maintain these 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/cpseca36.htm> (last visited Oct. 7, 2011) [hereinafter Nat'l Women's Law Ctr. calculations from BLS Table A-36]. Long-term unemployment calculated for workers ages 20+. See also Nat'l Women's Law Ctr., Modest Recovery Largely Leaves Women Behind (2011), <http://www.nwlc.org/sites/default/files/pdfs/slowrecoveryfactsheetoctober.pdf>.

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

³ 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>.

⁴ 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>.

⁵ Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, Pub. L. No. 111-312, §501, 124 Stat. 3296, 3307 (2010).

⁶ Nat'l Women's Law Ctr. calculations from BLS from the CPS, Table A-36: Unemployed persons by age, sex, race, Hispanic or Latino ethnicity, marital status, and duration of unemployment, not seasonally adjusted, July 2009, <http://www.bls.gov/opub/ee/empearn200907.pdf> (last visited Oct. 7, 2011) and Nat'l Women's Law Ctr. calculations from BLS Table A-36, *supra* note 1.

⁷ See Gerald Mayer & Linda Levine, Cong. Research Serv., Long-Term Unemployment and Recessions 1-2 (2010).

⁸ Nat'l Women's Law Ctr. calculations from BLS Table A-36, *supra* note 6.

⁹ 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.

¹⁰ Nat'l Women's Law Ctr., Modest Recovery Largely Leaves Women Behind, *supra* note 1.

¹¹ *Id.*

¹² Nat'l Women's Law Ctr. calculations from U.S. Dep't of Labor, BLS from the CPS, Table 1: Employment status of the civilian population by sex and age, seasonally adjusted, <http://www.bls.gov/webapps/legacy/cpsatab1.htm> (last visited Oct. 19, 2011).

¹³ Katelin P. Isaacs & Julie M. Whittaker, Cong. Research Serv., Unemployment Insurance: Legislative Issues in the 112th Congress 2 (2011).

¹⁴ Nat'l Employment Law Project, Hanging on by a Thread 6, 13 (2011), http://www.nelp.org/page/-/UI/2011/NELP_UI_Extension_Report_2011.pdf?nocdn=1.

¹⁵ *Id.* at 6-7, 13. In addition to EUC08, most states provide another 13 to 20 weeks of benefits under a separate permanent federal program called Extended Benefits (EB), which is fully federally-funded through January 4, 2012. 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. *Id.* at 7, 13.

¹⁶ U.S. Census Bureau, Income, Poverty, and Health Insurance Coverage: 2010 25 (2011) (PowerPoint slides), http://www.census.gov/newsroom/releases/pdf/2010_Report.pdf.

¹⁷ Heather Boushey & Matt Separo, Ctr. for Am. Progress, Unemployment Dollars Create Millions of Jobs (2011), http://www.americanprogress.org/issues/2011/09/ui_creates_jobs.html. See also Wayne Vroman, Urban Institute & IMPAQ Int'l, The Role of Unemployment Insurance as an Automatic Stabilizer During a Recession (2010), http://wdr.doleta.gov/research/FullText_Documents/ETAOP2010-10.pdf.