Saving Jobs and Communities: Responding to Unemployment and Economic Dislocation
U.S. Dislocation: At a Glance

- Job Loss is Widespread
  - 1.8 million mass layoffs in 2005
  - 9.7 percent of labor force (15.1 million individuals) experienced unemployment in 2004 (incidence of unemployment)
  - A median spell of unemployment was 15 weeks in 2004
U.S. Dislocation—Economic Losses to Workers

- USDOL Displaced Worker Survey (Jan. 04)
  - 11.4 million displaced 2001-2003 with 5.3 million of these “tenured” (over 3 years surveyed)
  - Of tenured workers, only 65% were reemployed at time of January 2004 survey
  - Of the 65 percent reemployed, 57% had lower wages, and 33% of those had wages at least 20% or more below prior wages
  - Of the 35 percent not in workforce, 20% of displaced were unemployed and 15% were out of workforce at time of survey
Dislocation-Growing Recognition of Serious Impacts

- Uchitelle—*The Disposable American*
  - Loss of Skills/Productivity
  - Loss of Income/Labor Market Participation
  - Lasting Emotional Damage

- Psychological Impact/Stress/Mortality
  - MacArthur Research Network on Socioeconomic Status and Health
  - Eunice Rodriguez, DPh, Cornell
U.S. Auto Plant Closings: Announced and Executed
-Center for Automotive Research-

GM & Ford Shutdowns = 19 Shutdowns so far
Delphi Sale and Closures = 21 Plants
ACH Sale and Shutdowns = 14 Plants

Roughly 106,200 Jobs

GM Shutdowns
Delphi Plant Shutdowns
Ford Shutdowns, +7 More TBD
ACH Plant Shutdowns
Early Warning, Layoff Aversion, Industrial Retention

- Steel Valley Authority/Pennsylvania
  - Early Warning Network
  - Investment Banking Capability
- Public and Union Pension Investments
- Regional Networks/Policies
Good Things Can Happen Because Bad Things are Happening

- Stronger Safety Nets Identified as Policy Helping Low-Income AND Middle-Income Families
- Job Training and Education Gain Resources and Attention
- New Policies and Programs Emerge to Enable Us to Better Respond to Dislocations and Joblessness
- Political Opposition to Layoffs as Acceptable Means to Profitability and Competitiveness?
Responding to Dislocation: An Emerging Agenda

- Better Links Between Income Support and Training
- Longer Duration of UI Benefits for Individuals in Training for Targeted Occupations
- Reliable Funding Sources for Dislocated Worker and UI programs
- Community Mobilization --better coordination, preparation and planning for coming job losses
Research/Advocacy Needs

- Answers: Training For What?
- Analysis of WIA Performance Data/Development of Better Standards for Programs
- Public Education about What Works/Doesn’t
- Advocacy for Effective Workforce and Economic Development Policies
- Voice for Dislocated Workers
For More Information

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