

# Unemployment Insurance Fails Many Workers

*Newsday*

January 13, 2003

## **Unemployment Insurance Fails Many Workers**

By Annette Bernhardt

Congress last week took up the long-overdue task of helping millions of jobless Americans who have exhausted their unemployment benefits. The debate centered on how many weeks of additional benefits should be provided and who should qualify for them.

But completely missing from the agenda was a frank discussion about one of our nation's best-kept secrets: the acute failure of our unemployment insurance system as a universal and equitable safety net. As a result, the legislation signed into law Wednesday will fail to help those who need it most.

The numbers are shameful. Only 43 percent of workers who are unemployed actually receive unemployment benefits. In some states, that number is much worse, as low as 25 percent. To be sure, some workers don't apply for benefits because they have another job lined up. But the bigger story is that the current eligibility rules discriminate against those who need help the most.

For example, many low-wage workers simply don't make the eligibility cut established by the government even as they perform some of the hardest and most menial jobs in our economy. Temporary and part-time workers are less likely to receive benefits than standard workers because of the very nature of their jobs' constantly shifting and uneven

hours. In some states, they are excluded altogether.

Those who change jobs to care for sick children or elderly parents often aren't eligible for benefits because they are classified as having quit voluntarily. And workers who have recently come off welfare are hurt on two fronts: their low earnings and short work histories make it doubly hard to qualify for benefits. The bottom line is that women, people of color, immigrants and single parents are disproportionately unprotected by the safety net.

The problem is that the system is at least 30 years out of date. Its eligibility rules stem from an era more imagined than real of nuclear families, stable jobs, good wages and infrequent unemployment. But we all know that era has come and gone. In the current labor market, workers are asked to be flexible, to hop from one employer to the next as needed and increasingly to subsist on dismal wages at dead-end service jobs.

Putting aside for the moment whether this is even a sustainable way to organize a labor market, the more immediate question is whether our society has created sufficient structures to actually support our workers as they try to adapt to this brave new world. The answer is a resounding no.

What we need is a complete overhaul of the unemployment insurance system to reflect the reality of today's labor market. That means reforming eligibility rules so that low-wage, temporary and part-time workers are not shut out. It means recognizing the myriad reasons why workers become unemployed, including pressing family responsibilities. Most of all, it means seeing the system for what it is: an insurance fund that everyone pays into and that everyone has a right to benefit from.

Elected officials should recognize that closely related reforms have

proved immensely popular with voters. For example, the last administration's signature economic policy was the Family and Medical Leave Act, a law that responded to one of the key challenges created by the demands of family in a changing labor market. The reforms needed to fix our unemployment insurance system would have the same broad appeal, extending protections to all who need them, from soccer moms to lower-income workers.

So, yes, we should applaud our representatives for finally giving some relief to hard-working families. But the bill signed into law covering 2.5 million unemployed workers who have exhausted their benefits or will exhaust them in the next few months does not even begin to address the fact that there are at least another 2.5 million who never got our support in the first place.

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