



National Employment Law Project

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WORKERS EXHAUST UNEMPLOYMENT BENEFITS AS JOBLESS NUMBERS RISE

Unemployment Spreading to Experienced, Educated Workers

DISASTROUS EMPLOYMENT REPORT CALLS FOR IMMEDIATE ACTION TO BOOST ECONOMY AND HELP JOBLESS

New York – On the same day the Department of Labor announced a sharp rise in job loss and unemployment in January, the National Employment Law Project (NELP) released new data showing that growing numbers of unemployed Americans are running out of jobless benefits. In addition, older and educated workers are facing an increasing share of layoffs, and older Americans are now twice as likely to be unemployed than they were in the severe recession of the early '80s.

Coming on the heels of news that record numbers of unemployed workers are applying for jobless benefits, today's reports underscore the urgency of passing the American Recovery and Reinvestment Act, to provide a desperately needed boost to the economy and help the unemployed navigate the increasingly difficult dynamics of joblessness.

"Today's sobering unemployment report is further, indisputable evidence that America's economy and workers need a bold and comprehensive recovery package, and they need it now. Just as January added 500,000 to the ranks of the unemployed, 2.8 million Americans who have been unemployed for months and months are running out of benefits or will in the very near future. A strong recovery package is the first step to patching up holes in the safety net and getting the wheels of the economy turning again," stated Christine Owens, Executive Director of the National Employment Law Project.

"The longer Congress waits to finalize a recovery package, the longer America's workers will struggle in a dwindling job market and scrape by on limited benefits – or none at all. This has been and will be a long recession, and it is simply wrong to subject America's economy and its unemployed workers and their families to further delay in beginning the economic turnaround. The American Recovery and Reinvestment Act can help us start getting back on track," she continued.

Together with the January 2009 Employment Report from the Department of Labor, numbers released today by the National Employment Law Project reveal new trends about the state of unemployment in the nation:

- Experienced and educated workers are increasingly joining the ranks of the unemployed compared to mid-recession in July and prior recessions.
- In a shift from July, jobless workers are now more educated than they were in the 2002 recession.
- Older Americans' share of the jobless is twice as large as it was in the serious 1980's recession, exposing major reemployment challenges in the current recession
- The long-term unemployment rate is now at 22.4 percent, far exceeding long-term joblessness at this point in the economic cycle compared to past recessions.
- 1.2 million of the unemployed are expected to run out of the current extension of unemployment insurance by June 2008. To see state by state detail [click here](#) or visit <http://www.nelp.org/page/-/UI/EUCfebruary2009.pdf>
- 3.1 million Americans won't receive any extended benefits this year unless Congress enacts the ARRA, including 1.65 million who will be cut off by July. To see state detail of the ARRA's impact on the jobless [click here](#) or visit <http://www.nelp.org/page/-/UI/RecoveryPlanEstimates.pdf>.

“As layoffs blanket the economy and workers turn to their local employment offices for help, relief in the American Recovery and Reinvestment Act which includes the Unemployment Insurance Modernization Act, will be critical to accommodate the modern workforce including large numbers of part-time, low-wage and female workers who are currently left out of the safety net. Beyond the essential assistance unemployment benefits provide to workers losing their jobs, the spending they generate in local economies during a recession boosts businesses and helps to stave off further job loss,” Owens stated.

The UIMA would provide up to \$7 billion for states to cover more than 500,000 workers not covered under the current system, and set aside \$500 million to help every state address the administrative demands of fielding claims from the growing number of workers applying for benefits.

In addition, the recovery package increases the average weekly unemployment benefit by \$25 and continues the program through the end of 2009. The measure also aims to make health care more affordable and accessible to jobless workers.

A compromise negotiated by a bipartisan team of Senate and House leaders would incorporate important improvements to the Trade Adjustment Assistance Act (TAA) into the recovery package, including extending TAA to service workers, eliminating barriers to coverage for workers whose jobs migrate to China and India, increasing money for training, adopting fairer and more reasonable timelines, and providing assistance to communities especially hard hit by job loss due to trade.

For more information about the National Employment Law Project or the American Recovery and Reinvestment Act, visit www.nelp.org or call Tim Bradley at 646-452-5637.

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