

The Unemployed Worker Study

by Amy Traub, Alexander Hertel-Fernandez, and Sanjay Pinto

Summary

A strong unemployment insurance (UI) system supports workers, communities, and the economy by enabling workers who have lost their jobs to maintain basic economic security as they search for new employment. Yet the UI system falls far short of its potential. To better understand the strengths and weaknesses of UI, we surveyed 1,312 workers who experienced unemployment at some point from 2019 to 2024, asking about their experiences navigating unemployment and applying for and receiving benefits. Analysis of the Unemployed Worker Study suggests that UI benefits significantly reduce economic hardship for workers who receive them. Yet workers face numerous challenges related to eligibility for UI, barriers to accessing benefits, and the inadequate level and duration of benefits. We examine variation across states and offer recommendations for state and federal governments and employers to improve UI.

Key Findings

- Unemployment insurance (UI) benefits reduce hardship: Workers who received benefits were significantly less likely to report food and housing insecurity.
- Although the pandemic unemployment surge is over, unemployed workers still face barriers to accessing benefits, including delayed decisions, difficulty with UI websites, and trouble reaching UI agencies by phone.
- One in five UI applicants say benefit levels are inadequate. Workers are more likely to say benefits fall short in states that offer lower UI benefits and fewer weeks, particularly in southern states.
- Employers play a major role in UI access: 29% of UI applicants report an employer helped or hindered them in applying for UI.

Recommendations

- States should improve UI access, broaden eligibility, and ensure benefit levels and duration meet workers' needs.
- The federal government should set strong UI standards all states must meet.
- Employers should support workers in accessing benefits they are entitled to.

Why This Matters

As analysts increasingly warn of the risk of imminent recession, strengthening unemployment insurance should be an urgent priority for policymakers.