

Stubborn Unemployment, No New Jobs: No Wonder Working Families Are Worried

Working families are deeply concerned about the economy—and with good reason. In two short years, we have gone from boom to bust in job opportunities. Unemployment has risen significantly and shows no signs of declining any time soon. Instead of the explosive job growth of the late 1990s, the nation has lost many jobs, especially in manufacturing. Nor are prospects encouraging in the near future. According to the *The Wall Street Journal*, the “fourth quarter [October through December] traditionally is prime time for cuts.” Here are the basic facts:

- In September, nearly 10 million workers wanted jobs but could not find them, and another 4 million wanted full-time jobs but were only able to get part-time work. Compared with September 2000, 3 million more workers cannot find jobs today and 1 million more are working part-time involuntarily.
- Long-term unemployment has almost doubled over the past year. In September 2002 roughly 1.6 million unemployed workers had been jobless for at least six months; another 1.3 million had been out of work for three to six months.
- Between March and September, more than 1 million jobless workers who already had used up their regular state unemployment benefits exhausted their temporary emergency federal benefits, too. Unless the economy picks up significantly and soon, that number is expected to jump to 2.2 million by year’s end. Many of these workers will have no jobs—and no means of support.
- Unemployed workers are ready and willing to work—but the jobs are not there. Over the two years between August 2000 and 2002, the nation lost more than 600,000 jobs. Employers shed

43,000 jobs in September 2002 alone. In contrast, more than 5 million new jobs were created between August 1998 and 2000.

- Job loss in manufacturing has been even larger than job loss overall. Between August 2000 and August 2002, 1.5 million manufacturing jobs disappeared. Over the past year, *every* state has lost manufacturing jobs.

Job loss and rising unemployment have predictably harsh consequences for working families and the nation as a whole. **More people are poor:** 33 million, 11.7 percent of all Americans, now live in poverty, up 1.3 million since 2000. **Families have less to spend:** In 2001, median household incomes fell to \$42,228, 2.2 percent less than in 2000. **Fewer Americans have health insurance:** In 2001, 41.4 million were uninsured, an increase of 1.4 million since 2000. **And personal bankruptcies have soared:** During the 12 months ending in June 2002, more than 1.5 million individuals filed for bankruptcy, the highest 12-month level in history and an 8.6 percent increase over the comparable period ending in June 2001.

Working families need and deserve real economic solutions for the real economic crisis they are facing. An important first step for Congress and the president is to extend the Temporary Emergency Unemployment Compensation program, now set to end in December. Such an extension will not only help workers who desperately need assistance, but also stimulate the economy by putting money into the pockets of families who will spend it. However, in one of their last acts before leaving to hit the campaign trail, Republicans in Congress voted down a Democratic proposal to extend emergency unemployment benefits.

Sources: American Bankruptcy Institute, Center on Budget and Policy Priorities, U.S. Department of Labor, U.S. Census Bureau, *The Wall Street Journal* (10/9/02). (AFL-CIO Public Policy Department, 202-637-5172.)

Working Families Economic Indicators at a Glance

	Jobs Lost/Added (Aug. 2000 to Aug. 2002)		Unemployment (Aug. 2002) (March – Aug. 2002)		Workers Exhausting Unemployment Benefits Coverage*		Poverty, Income and Health Insurance			401(k) Losses and Personal Bankruptcy Filings	
	All Jobs (in thousands)	Manufacturing Jobs (in thousands)	# of Unemployed (in thousands)	Unemp. Rate	# of Workers Exhausting Regular Benefits	# of Workers Exhausting TEUC Benefits	Poverty Rate*	% Change in Median House- hold Income*	Uninsured Rate*	401(k) Losses Dec. 2000-2001 (in billions)	Personal Bankruptcy Filings (2nd Quarter 2002)
US	-631.0	-1,495.3	8,142	5.7	2,333,672	1,120,832	11.7	-2.2	14.6	175.75	390,991
AL	-35.9	-35.3	122.1	5.7	25,165	13,518	14.8	-4.5	13.2	2.69	10,140
AK	9.6	-0.5	24.4	7.3	10,887	3,505	7.9	2.5	17.7	0.37	336
AZ	-0.2	-23	144.1	5.7	26,048	13,199	12.9	4.2	18.4	2.42	7,603
AR	-10.2	-25.7	64.5	5.0	22,574	9,506	16.3	2.9	15.0	1.35	5,592
CA	100.7	-115.4	1,091.1	6.2	346,898	73,727	13.1	1.0	19.2	18.20	37,113
CO	-38.1	-20.3	121	5.1	32,547	16,808	9.0	-1.8	15.1	2.65	5,416
CT	-21.8	-25.5	67.9	4.0	28,013	15,890	7.4	-0.4	9.7	2.52	3,099
DE	-2.3	-5.2	15.8	3.8	4,992	2,348	8.5	0.1	9.5	0.55	816
DC	-3.3	-0.9	15.9	5.9	10,442	4,856	16.1	0.1	13.6		602
FL	107	-44.5	418.1	5.3	88,986	75,045	12.0	-2.1	17.8	7.17	23,534
GA	-107	-65.4	195.7	4.6	57,186	52,090	12.6	0.8	15.3	5.25	17,465
HI	-3.9	0.8	23.6	4.0	7,401	4,041	10.4	0.2	9.7	0.77	1,105
ID	1.3	-4.7	36.9	5.3	11,650	3,140	12.7	0.3	16.5	0.74	2,366
IL	-143.1	-69.6	390.2	6.2	108,938	71,037	10.2	-3.1	13.6	8.66	19,996
IN	-101.6	-69.8	164.6	5.2	47,184	26,057	7.9	-3.5	10.8	4.49	13,839
IA	-18	-18.2	60.5	3.7	17,713	10,096	7.7	-3.1	8.0	2.18	3,100
KS	18.3	-12.8	65.2	4.5	17,007	5,678	10.1	2.1	11.4	1.93	3,970
KY	13.2	-18.8	103.7	5.2	20,668	13,817	12.4	3.6	13.0	2.56	6,800
LA	13.5	-8.8	119.2	5.9	18,127	11,717	17.5	-2.1	19.7	2.23	6,665
ME	5.3	-10.3	27.2	4.0	7,064	3,579	10.3	-5.9	10.7	0.93	1,122
MD	-3.1	-5.7	124.3	4.3	24,947	16,111	7.3	-1.7	11.3	3.80	8,839
MA	-55.4	-32.2	173.9	5.2	72,932	24,890	10.2	5.8	8.7	4.27	4,581
MI	-146.9	-68.8	321.2	6.2	94,692	50,359	9.7	-4.1	9.9	7.67	13,475
MN	-38.5	-32.9	123.9	4.3	37,847	21,161	6.8	2.6	7.8	4.12	4,658
MS	-20.5	-36.5	79.1	6.1	14,968	12,800	16.8	-6.2	15.2	1.48	5,265
MO	-64.2	-38.8	138.8	4.7	37,765	22,336	10.2	-2.9	8.8	4.17	8,325
MT	6.7	-1.3	18.7	4.0	5,627	1,700	14.4	-1.3	16.0	0.52	1,206
NE	-5.1	-4.3	32.2	3.4	9,495	3,607	9.7	3.1	9.6	1.24	1,994
NV	32.9	2.1	53.0	5.1	22,917	11,267	9.0	1.5	17.2	1.08	5,240
NH	3.6	-7.4	33.6	4.7	4,594	1,774	6.2	2.4	9.0	0.94	978
NJ	0.1	-35.7	224.2	5.3	104,310	24,207	7.7	-1.0	12.5	5.56	10,719
NM	14.5	-1.5	52.7	6.1	8,534	3,571	18.8	-2.1	23.2	0.91	2,131
NY	-67.9	-90.9	526.6	5.8	197,698	134,992	14.1	-0.4	15.8	10.78	18,589
NC	-55.8	-70.7	248.6	6.3	71,083	36,531	12.9	-1.8	14.2	5.02	8,735
ND	1.7	1	10.6	3.2	3,233	1,317	12.4	1.5	10.9	0.46	492
OH	-130.4	-80.3	325.2	5.5	66,266	44,385	10.8	-0.2	10.8	8.27	19,787
OK	22.5	-8.2	71.0	4.2	14,870	9,434	14.3	1.3	17.9	1.79	6,215
OR	-29.5	-12.4	127.3	7.0	39,979	1,123	11.8	-2.2	13.1	2.19	6,194
PA	-49	-83.8	327.7	5.3	103,709	48,192	9.2	4.1	8.7	8.65	13,614
RI	5.8	-5.5	24.6	4.8	9,869	5,750	10.0	0.4	7.2	0.70	1,289
SC	-29.6	-26.5	108.6	5.4	32,015	22,128	12.7	-1.3	13.3	2.52	3,708
SD	3.6	-6.3	10.6	2.6	1,055	414	9.0	2.1	10.4	0.52	650
TN	-31.8	-41.3	131.5	4.6	46,361	36,233	13.2	-4.1	10.8	3.37	14,986
TX	-47.7	-82.5	653.1	6.1	191,530	94,212	15.2	-0.3	23.0	11.47	18,606
UT	-14.7	-12.8	56.9	5.0	15,198	7,647	8.0	-1.6	13.6	1.24	5,389
VT	-2.3	-3.8	14.7	4.2	3,285	1,281	9.8	-4.0	9.7	0.43	441
VA	-37.1	-37.2	153.7	4.1	30,496	19,178	8.0	1.8	11.9	4.87	10,937
WA	-76.4	-44.2	218.7	7.2	58,803	7,699	10.4	-6.3	13.5	3.90	9,804
WV	-1.9	-7.7	47.9	5.9	6,325	3,783	15.6	-2.4	14.2	0.97	2,443
WI	-3.5	-45.1	159.6	5.2	51,814	21,982	8.6	-3.3	8.5	4.40	6,677
WY	12.3	-0.2	9.8	3.6	1,933	1,115	10.3	0.2	15.6	0.32	617

Sources: U.S. Department of Labor; Center on Budget and Policy Priorities; Institute for America's Future; America Bankruptcy Institute; National Conference of State Legislatures; U.S. Census Bureau.

* To improve reliability, the Census Bureau uses two-year moving averages and three-year averages for some state data. For state data on health insurance coverage and poverty rates, the Census Bureau uses a three-year average (1999-2001). For changes in median household income by state, the Census Bureau compares a two-year moving average (1999-2000) with another two-year average (2000-2001). For U.S. data on poverty rates and health insurance coverage, the data are for 2001. For changes in U.S. median household income, the comparison years are 2000 and 2001.