



**From the National Employment Law Project & Institute for Research on Labor and Employment**

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**LONG-TERM UNEMPLOYMENT HIGHER THAN DURING ANY PREVIOUS RECESSION**

**State Action Needed to Bring Stimulus Dollars to Jobless Workers in Treacherous Job Market**

April 3, 2009 – With 663,000 jobs lost and the national unemployment rate climbing to 8.5% in March, today's employment report from the Department of Labor underscores the unprecedented challenges facing jobless workers as the rate of long-term joblessness soars and job openings become increasingly scarce. According to a forthcoming report from the National Employment Law Project and the Institute for Research on Labor and Employment at U.C. Berkeley, today's long-term unemployed – those who have been out of a job for more than six months – hold a greater share of the jobless ranks in this recession than in any other recession since the Labor Department began recording data. The findings illustrate the extreme difficulty unemployed workers face trying to find new jobs, and the expected challenges yet to come.

"Today's jobless numbers are striking given both the staggering number of newly unemployed as well as the swelling ranks of long-term unemployed. All the trends indicate that the worst is yet to come. Long-term unemployment usually peaks after the official end of the recession, but with levels already this high, it is likely that long-term joblessness will hit an all-time record in the months ahead," said **Sylvia Allegretto, an economist at the Institute for Research on Labor and Employment** and a co-author of the forthcoming report.

In March 2009, 24.2% of the jobless were out of work for more than six months, surpassing the previous recession peak of 19.8% in November 1982. There are nearly four jobless workers for every job opening, according to the groups, and long-term joblessness is likely to grow further in the months ahead. The long-term unemployed may approach or exceed 30% of all jobless workers by 2010.

As the number of long-term unemployed reaches such elevated levels, so does the number of workers exhausting their jobless benefits. While the American Recovery and Reinvestment Act gave "high unemployment" states the option to provide a third extension of benefits to workers who cannot find jobs and are running out of benefits, key high unemployment states like Florida, New York, Illinois, and Tennessee have yet to pass the legislation needed to provide these extra benefits. As a result, in those states, 300,000 workers will be dropped off the unemployment insurance rolls at a time when finding a job is only getting harder. Look here for more on the Extended Benefits provisions in the stimulus package: <http://www.nelp.org/page/-/UI/eb.press.release.pdf?nocdn=1>

"Hundreds of thousands of jobless workers will run out of unemployment benefits in the coming weeks if their states do not act now. Today's jobs report and the staggering growth of the long-term unemployed

show just how hard it is for Americans to rejoin the workforce. If states act, they can help workers weather the storm as they continue to search for employment by extending benefits for another 13-20 weeks, fully paid for by the federal government,” said **Andrew Stettner, Deputy Director of the National Employment Law Project**, also a co-author of the report.

Findings by the National Employment Law Project and the Institute for Research on Labor and Employment also show that distinct groups of Americans are being hit hardest by long-term joblessness.

More than one out of three long-term jobless Americans (37%) are over the age of 45. Given that only 28% of all the unemployed are in this age group, older Americans face a disproportionate share of long-term unemployment and the data indicates that unemployment spells get longer as laid off workers get older.

Preliminary findings from the report also indicate that laid-off men and women appear equally prone to long-term joblessness, and that the most educated workers are having particular difficulty finding appropriate jobs in today’s economy.

Please contact NELP or IRLE to be on the list to receive the full report in April.

Click here for a table on the long-term unemployed share of jobless ranks and the number of workers exhausting unemployment benefits:

<http://www.nelp.org/page/-/UI/april.jobs.charts.pdf?nocdn=1>

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