

NELP RESPONSE TO STATE OF THE UNION: REBUILDING AN AMERICA THAT WORKS FOR ALL

Statement of Christine Owens, Executive Director of the National Employment Law Project

In his State of the Union speech tonight, President Obama articulated a vision of America where work is the foundation of economic security and opportunity—a place where hard work and responsibility are rewarded, where everyone contributes their fair share, and where the economic system works fairly for all Americans, not just those at the very top.

But for millions of Americans, that vision of a revitalized land of opportunity is still far from reality. When President Obama delivered his first State of the Union in January 2009, almost no one understood how bad things were, and how much worse they were going to get. The economy had been in recession for more than a year. By mid-2009, three million more jobs were lost, and the unemployment rate eventually topped 10 percent.

The situation has improved markedly since then, due in no small part to policies President Obama put in place, such as the Recovery Act, which saved or created at least two million jobs and kept more than six million workers and their families out of poverty by maintaining the most robust federal unemployment insurance program in our nation's history.

President Obama's policies have made a positive difference, and with job growth averaging 142,000 per month over the past six months, it feels like we've turned an important corner. But we're not out of the woods yet—and the challenges that remain are big ones, both for the record number of workers who are suffering from long-term joblessness and economic despair, and for the prospects of building a sustainable recovery that reaches all of America's families.

Although slowly improving, the job market remains extremely tough for the nearly 24 million workers who are unemployed or underemployed. More Americans remain out of work, and for longer periods, than at any time in recent memory. New jobs have been slow to appear, and those that do exist are heavily concentrated in low-paying industries like restaurants and retail. Workers' wages and retirement security have taken a beating. And basic economic security programs are increasingly on the chopping block.

These are problems that, in one way or another, affect virtually all Americans. It's no wonder the 99 percent have taken to the streets in major cities across the nation, demanding an accounting from the 1 percent—and from the leaders who have tilted social and economic policy toward the wealthiest few, at the expense of the many.

A number of the proposals the President announced in his State of the Union would begin to restore fairness and economic balance. We applaud his call for education investment, job training, tax code fairness, rebuilding our nation's infrastructure and promoting clean energy, and ensuring that everyone plays by the same rules.

But more needs to be done. We call on the President to keep his pledge to raise and index the minimum wage to stop our nation's lowest-wage earners from falling further behind while giving our sluggish economy a much-needed boost in consumer spending.

We also have to preserve critical regulatory safeguards for Americans at work and at home. Chipping away at workplace safety and fairness will not create more jobs; they will just make the jobs we already have worse.

Finally, the two-month extension of federal unemployment insurance programs passed by Congress in December is set to expire at the end of February, putting millions of jobless Americans at risk once again of losing a critical lifeline for survival. Congress needs to fully renew the program through 2012.

As the President made clear tonight, we all have a stake in the future success of our country. America is still the place where you can make it if you try. But we cannot fulfill that promise by shortchanging investments in our kids, our workers, our environment, and our economy. The America we built after World War II, anchored by a strong middle class, can be built again. We will do it, in short, by restoring an economy that works for all of us.

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers. For more about NELP, visit www.nelp.org.

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