

Talking About: *Unemployment Ins.*



Prepared by North Carolina State AFL-CIO
James Andrews, President

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MaryBe McMillan, Secretary-Treasurer

Too Few, Too Short, Too Little: *Time to Restore Unemployment Benefits!*

Unemployment insurance provides financial support for workers who have lost their jobs through no fault of their own. In 2013, legislators made drastic cuts in benefits to save an unemployment trust fund into which employers had not been required to make adequate contributions. These cuts continue to harm both North Carolina's jobless people and their communities.

What We Know

A review of performance metrics collected by the U. S. Department of Labor for the second quarter of 2016 demonstrates that unemployment insurance now reaches **too few** jobless workers for **too short a period** and provides **too little in payments**.

Too Few:

- Only 1 in 10 unemployed workers in our state received unemployment insurance in the second quarter of 2016, ranking our state the very last in the nation.
- Before the cuts, our state ranked 24th, with 4 in 10 jobless workers receiving benefits.
- Half of those receiving benefits here lose them before finding work - the 2nd highest "exhaustion rate" in the country.

Too Short:

- On average, benefits here last only 10 weeks, ranking our state dead last in the nation.
- In part that's due to an arbitrary sliding scale that ties the number of weeks to the state's unemployment rate.
- The maximum now is 13 weeks, exactly half the prior maximum and national standard.

Too Little:

- At just \$241 each week, our state ranks 46th for average weekly benefit amount, and the maximum is just \$350/week.
- This is despite the fact that the average weekly wage in our state is \$888.

- Our state is therefore providing about 25 cents for every dollar earned, which injects less money into local economies.
- Before the cuts, North Carolina ranked 25th, replacing 36 cents for every dollar earned.

Lawmakers Need to Fix a Broken Promise

- **Much needed benefits for laid-off workers in North Carolina have been cut more severely than any state in the more than 75 year history of the Unemployment Insurance program.**
- Benefits were permanently cut in 2013, but temporary tax increases on employers are now back to pre-2013 levels.
- In terms of eligibility for benefits, the length of time benefits can be received, and the average benefit that is received, our state treats its unemployed citizens nearly the worst of any state in the nation.
- Our current unemployment insurance system is a **broken promise to working people** - a promise that they will survive if they lose their job through no fault of their own.
- **Now is the time to fix that broken promise, change the law, and give our jobless citizens a fair shake.**