



# CENTER ON BUDGET AND POLICY PRIORITIES

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820 First Street, NE, Suite 510, Washington, DC 20002  
Tel: 202-408-1080 Fax: 202-408-1056 center@cbpp.org www.cbpp.org

*December 5, 2003*

## **FEDERAL UNEMPLOYMENT BENEFITS PROGRAM SHOULD BE EXTENDED DESPITE CONTINUED — ALBEIT SLUGGISH — JOB GROWTH**

### **Economy Still 2.4 Million Jobs Below Pre-Recession Level; Long-term Unemployment Share Hits 20-Year High**

The slight growth in jobs reflected in the labor market data released today — there were 57,000 more jobs in November than October — does not mean the time is right to discontinue the federal unemployment benefits program. The Temporary Extended Unemployment Compensation (TEUC) program, which assists workers who have run out of regular state-funded unemployment benefits, is scheduled to phase out sharply December 21. Congress has the opportunity to extend the program when it meets next week. If it fails to do so, its first chance to restart the program will not come until Congress reconvenes in late January, by which time hundreds of thousands of jobless workers will have been left without a paycheck or an unemployment check.

“Though President Bush has repeatedly stated his concern about joblessness, he has been silent on extending this federal program for the long-term unemployed,” said Isaac Shapiro, a senior fellow at the Center on Budget and Policy Priorities. “We’ll see if this silence is broken now that today’s report indicates only sluggish job growth and that the long-term unemployed make up a larger share of those out of work than at any time since July 1983.”

There were two million “long-term unemployed” (out of work for at least half a year) in November, constituting nearly one-quarter (23.7 percent) of the unemployed.

If the President does not ask Congress to extend the TEUC program, starting December 21, some 80,000 to 90,000 jobless workers will exhaust their regular unemployment benefits every week yet will not be eligible for federal benefits. By the end of January, roughly half a million people who would have been eligible for the program will not be receiving federal help.

“Even with the new jobs report, there are 2.4 million fewer jobs today than when the economic downturn began in early 2001,” Shapiro noted. “So even if the recent upturn in employment continues and accelerates, it will take considerable time before the labor market is healthy.”