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**NEW DATA SHOW THAT A RECORD NUMBER OF WORKERS — 356,000
INDIVIDUALS — EXHAUSTED THEIR UNEMPLOYMENT BENEFITS IN JANUARY
WITHOUT RECEIVING ADDITIONAL WEEKS OF BENEFITS**

Number of Exhaustees since September 11 Tops 1.3 Million

by Wendell Primus and Jessica Goldberg

Just-released Labor Department data for January 2002 show that the number of workers exhausting their regular state unemployment insurance benefits without receiving additional assistance climbed to 356,000 people. This is the largest number of people exhausting their regular benefits without receiving additional aid in any single month on record, with the data first becoming available in 1973. The number of exhaustees in January also indicates that the Center's prediction of two million total exhaustees in the first half of 2002 appears to be on track.

Even after adjusting for the growth in the labor force since 1973, and thus the growth in the number of unemployed, the number of people who exhausted their regular benefits without receiving additional weeks of benefits this January was greater than in any other January except 1975. Of note, the country was in a deep recession in January 1975, and the unemployment rate was 8.1 percent. In February 1975, a federal program providing additional benefits to the unemployed in all states took effect.

Other key findings from the new data include:

- From September 11 (which is the date after which exhaustees would get additional benefits under legislation that has passed the Senate) through January of this year, more than 1.3 million workers have exhausted their regular unemployment benefits.
- In nine states the number of unemployed workers exhausting their unemployment benefits from November-January more than doubled from the comparable period a year ago. State-by-state data are included in a table at the back of the report.

January Exhaustions 63 Percent Higher than Last Year

Last month, more than 373,000 workers exhausted their unemployment insurance (UI) benefits; this represents an increase of 63 percent from January of the previous year. Of the workers who exhausted their regular state benefits, only those in Oregon and Washington were

eligible to receive additional weeks of benefits under the federal/state extended benefits program.¹ Workers who exhausted their benefits in Hawaii also received additional weeks of benefits as a result of a state program. In the remaining 47 states, no additional assistance was provided to those exhausting their regular benefits. Thus, about 356,000 people exhausted their regular benefits *without* receiving additional assistance, the most net exhaustions in any single month on record.

The number of exhaustees increased in January even though the national unemployment rate declined slightly that month, to 5.6 percent. This decline in the unemployment rate might have been an aberration, however. As Chairman of the Federal Reserve Board Alan Greenspan noted in his semiannual monetary policy report to Congress on February 27, despite signs that the U.S. economy is recovering, “The unemployment rate is anticipated to rise somewhat further over 2002, to the area of 6 to 6-1/4 percent.”

Number of Exhaustees Since September 11 Continues to Mount

Earlier this year the Senate — after being unable to reach the needed 60 votes for a stripped-down version of the stimulus bill — adopted a simple extension of UI benefits by unanimous consent. The Senate approach would cover those who have exhausted their benefits since September 11, 2001. Subsequently, the House repassed a bill, which received support from the Bush administration, that includes an extension covering a similar time period. The House unemployment extension, however, was passed as part of essentially the same stimulus bill that it passed in December, even though this measure was able to garner only 48 of the 60 votes in the Senate required for adoption. In significant part, the Senate did not adopt the House bill because it contains large tax cuts for high-income individuals and corporations that the Congressional Budget Office has found would do little to stimulate the economy. (After the House repassed its stimulus bill, the Senate again unanimously passed a simple extension of UI benefits.)

More than 1.3 million workers exhausted their UI benefits between September 11, 2001 and January 2002 without qualifying for additional weeks of benefits. Although many of these workers may have found new employment since exhausting their benefits, a significant portion are no doubt still seeking work and thus would be eligible for additional weeks of benefits if Congress provides such benefits. The table below shows the cumulative number of exhaustions since September 11, and also indicates that monthly exhaustions continue to be high relative to the respective month in the prior year.

The table shows that a total of 1,377,000 unemployed workers exhausted their benefits

¹ Oregon and Washington qualified to begin providing 13 additional weeks of benefits starting the week of January 12. Both states “triggered on” to the Extended Benefits program (whose financing is split between the federal and state governments) because they had elected the optional 6.0 percent total unemployment rate trigger. Alaska qualified to begin providing additional weeks of extended benefits starting February 24. Hawaii and Wisconsin are also offering additional weeks of benefits financed solely from state accounts. The Hawaii program was in effect in January; the Wisconsin program was not.

from September 11 through January. In September, October, November, and December, none of these workers received additional benefits. In January, as described earlier, only those workers living in Hawaii, Oregon, and Washington received additional benefits.

	Exhaustions	Percent Increase from Prior Year	Cumulative Exhaustions since September 11
Sep. 2001	229,431	54%	145,306
Oct. 2001	289,684	69%	434,990
Nov. 2001	268,495	66%	703,485
Dec. 2001	300,342	75%	1,003,827
Jan. 2002	373,114	63%	1,376,941

State-by-State Data

For each state, Table 1 compares the number of exhaustions from November through January with the number over the same period a year earlier. In nine states located in a variety of the country's regions — Arizona, Colorado, Georgia, Maine, Massachusetts, Missouri, North Carolina, Ohio, and Virginia — the number of exhaustees more than doubled during this period. The largest percentage jump occurred in Georgia. From November 2001 to January 2002, some 33,000 workers exhausted their regular benefits, reflecting an 143 percent increase from the comparable period a year earlier.

Table 1. Number of Workers Who Exhausted Regular Unemployment Insurance Benefits, by State

	November 2000 - January 2001	November 2001 - January 2002	Change	Percent Change
Alabama	7,377	10,234	2,857	39%
Alaska*	4,502	4,574	72	2%
Arizona	4,323	8,936	4,613	107%
Arkansas	6,137	8,675	2,538	41%
California	90,608	143,559	52,951	58%
Colorado	5,256	12,398	7,142	136%
Connecticut	5,665	10,678	5,013	88%
DC	1,913	2,552	639	33%
Delaware	1,387	1,762	375	27%
Florida	22,750	36,114	13,364	59%
Georgia	13,604	33,032	19,428	143%
Hawaii*	1,675	2,415	740	44%
Idaho	3,006	4,499	1,493	50%
Illinois	24,659	44,009	19,350	78%
Indiana	10,791	19,346	8,555	79%
Iowa	4,789	6,601	1,812	38%
Kansas	4,378	5,358	980	22%
Kentucky	4,763	8,179	3,416	72%
Louisiana	6,436	7,451	1,015	16%
Maine	1,695	3,604	1,909	113%
Maryland	6,374	8,883	2,509	39%
Massachusetts	12,770	26,275	13,505	106%
Michigan	20,224	36,622	16,398	81%
Minnesota	8,280	13,961	5,681	69%
Mississippi	4,688	7,200	2,512	54%
Missouri	7,610	15,467	7,857	103%
Montana	2,050	2,148	98	5%
Nebraska	2,268	3,367	1,099	48%
Nevada	5,355	8,060	2,705	51%
New Hampshire	n/a	n/a	n/a	n/a
New Jersey	27,017	42,481	15,464	57%
New Mexico	2,061	3,010	949	46%
New York	59,320	91,473	32,153	54%
North Carolina	11,008	26,465	15,457	140%
North Dakota	1,311	1,201	-110	-8%
Ohio	12,913	26,782	13,869	107%
Oklahoma	3,213	5,234	2,021	63%
Oregon*	9,146	17,936	8,790	96%
Pennsylvania	27,007	42,446	15,439	57%
Puerto Rico	13,623	16,635	3,012	22%
Rhode Island	2,939	3,922	983	33%
South Carolina	7,433	13,490	6,057	81%
South Dakota	223	334	111	50%
Tennessee	13,905	19,793	5,888	42%
Texas	41,066	73,154	32,088	78%
Utah	3,108	4,903	1,795	58%
Vermont	577	984	407	71%
Virginia	5,141	10,372	5,231	102%
Washington*	12,822	23,397	10,575	82%
West Virginia	2,154	2,589	435	20%
Wisconsin*	10,325	17,239	6,914	67%
Wyoming	619	639	20	3%
US Total	562,506	941,801	379,295	67%

* see footnote 1