
If It's Jobless, It's Not a Recovery

A Jobs Agenda for Sustained and Shared
Recovery



COALITION ON HUMAN NEEDS

Dangerous Numbers

- **27.4 million**

Unemployed/underemployed in Oct.

- **49 million**

In households unable to afford adequate food in 2008 (up from 36m in 2007)

“Unemployment is in double-digits; we desperately need more government spending on job creation.” Paul Krugman, 11/20/09

Unemployed in October:

- **41.3% of African American 16-19 year olds**
 - **15.5% of those without HS diploma**
 - **12.9% of women who maintain households**
 - **17.1% of Black men, 20 and over**
 - **17.5% of all unemployed and underemployed**
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Long-Term Dangerous Consequences

- People who lost full-time jobs earned 13% less in their new full-time job (2001-2004).
 - Children becoming poor in recessions do worse lifelong, in education, earnings, and health, than those who avoided poverty.
 - College grads in a recession will earn less in future years than those entering the workforce in better times.
 - Recessions permanently reduce future GDP.
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It Won't Fix
Itself

Create Jobs that Meet Needs

- Rebuild schools
 - Provide health care and home aids
 - Care for children
 - Modernize infrastructure
 - Make housing and public buildings energy efficient
 - Provide food aid
 - Improve education and training
 - Connect people with services and aid
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Jobs Needed Now – and a Year from Now

- **19 months:** how long to reach jobless peak after 2001 recession ended
 - **Need:** public service, community-based jobs, no displacement of current workers
 - Short-term infrastructure projects
 - Transitional jobs
 - Jobs for youth – summer and beyond
 - Work and learning
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Prevent Disastrous State and Local Losses

- *Precipitous end to state aid would mean*
 - 900,000 more jobs lost
 - Severe cuts in Medicaid
 - Severe cuts in education, child welfare services, child support **enforcement...**
 - Drag on the economy that could worsen the recession
 - State aid generates **\$1.41 in GDP growth** for every dollar spent
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Pathways to Long-Term Employment

- **Quick employment** coupled with skills development, other learning
 - **Transitional Jobs** for people with multiple barriers to employment
 - **Try-Out Employment**; paid internships
 - **On-the-Job Training** (including private sector)
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Target Jobs to Low-Income Communities and Individuals

- **Target groups include:** low-income youth, women, custodial and non-custodial parents, people with disabilities, people of color, people with limited English, veterans, displaced workers, ex-offenders, older workers
 - **Green Construction Careers Demo Project**
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Income Supports Relieve Hardship and Create Jobs

■ Remember Mark Zandi!

- For every SNAP dollar spent, \$1.74 in GDP growth
 - For every UI dollar spent, \$1.61 in GDP growth
 - Continuing/expanding refundable tax credits helps too (\$1.22 for every dollar spent)
 - Work-sharing: \$1.69 for every dollar spent
 - ***In contrast:*** loss carryback, 21 cents for every dollar spent; accelerated depreciation, 25 cents.
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ARRA is working; we just need more

- **Zandi:** “What matters for economic growth is the pace of stimulus spending, which surged from nothing at the beginning of the year to about \$80 billion in the third quarter. That is a big change in a short period and is why the economy is growing again after more than a year.”
 - **EPI:** 200,000 jobs created/saved per month from ARRA so far (1-1.5 million)
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How...

- **Community Infrastructure Program:** \$35-\$40b to localities for public and non-profit jobs, targeted to low-income communities; creates 1 million jobs
 - **State/local aid:** more Medicaid (FMAP) funding; grants
 - **Extension of TANF emergency funds**
 - **Subsidized work** and OJT learning through Workforce Investment Act
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And how...

- **Transitional jobs**
 - **Youth employment – summer and beyond (WIA)**
 - **Work oppty's for public housing residents:
Section 3**
 - **English as a Second Language**
 - **Language (like Green Construction model)
targeting jobs for vulnerable groups**
 - **National Service expansion**
 - **Income and work supports: UI, SNAP, child
care, refundable tax credits**
 - **Ensure programs work together and reach out**
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6.1 to 1
45%; 25%;
30%
10.8m

No time to waste.

For more information, contact

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