

Jobs

**What the Federal Government Must Do To
Tackle the Unemployment Crisis**

January 28, 2010

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COALITION ON HUMAN NEEDS



CAMPAIGN for COMMUNITY CHANGE

Deborah Weinstein

**Executive Director,
Coalition on Human
Needs**

Moderator



Presenters

Lawrence Mishel

**President,
Economic Policy
Institute**



Deepak Bhargava

**Executive Director,
Center for
Community
Change**



Alan Charney

**Program Director,
USAction**

**Campaign Manager,
Jobs for America Now**



Coming soon to a computer near you...

The President's Budget Explained

Friday, February 5, 3:00 – 4:30 p.m. EST
in person in DC and online

Presenters:

Robert Greenstein

Center on Budget and Policy Priorities

Deborah Weinstein

Coalition on Human Needs

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Lawrence Mishel

**President,
Economic Policy
Institute**

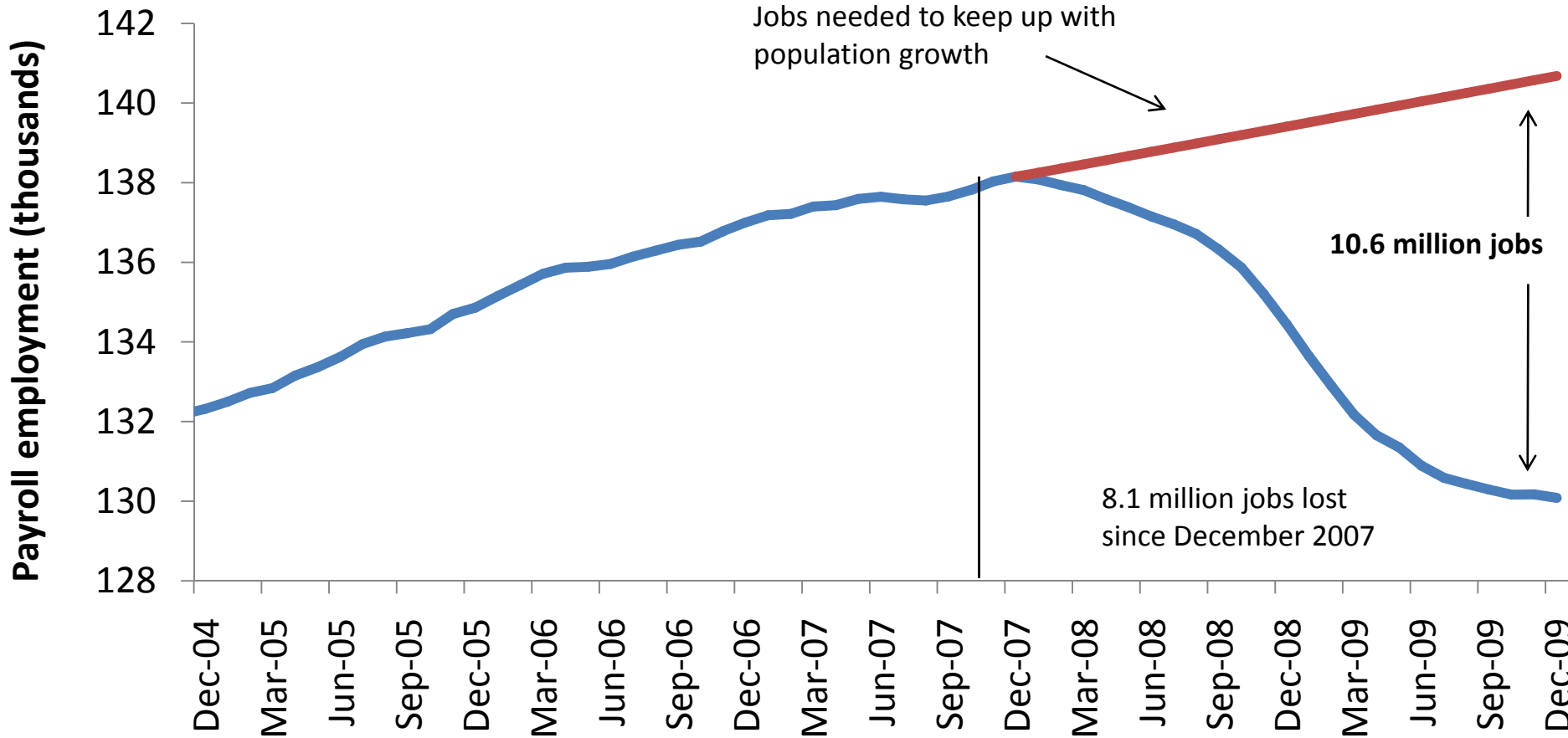


What the federal government must do to tackle the unemployment crisis

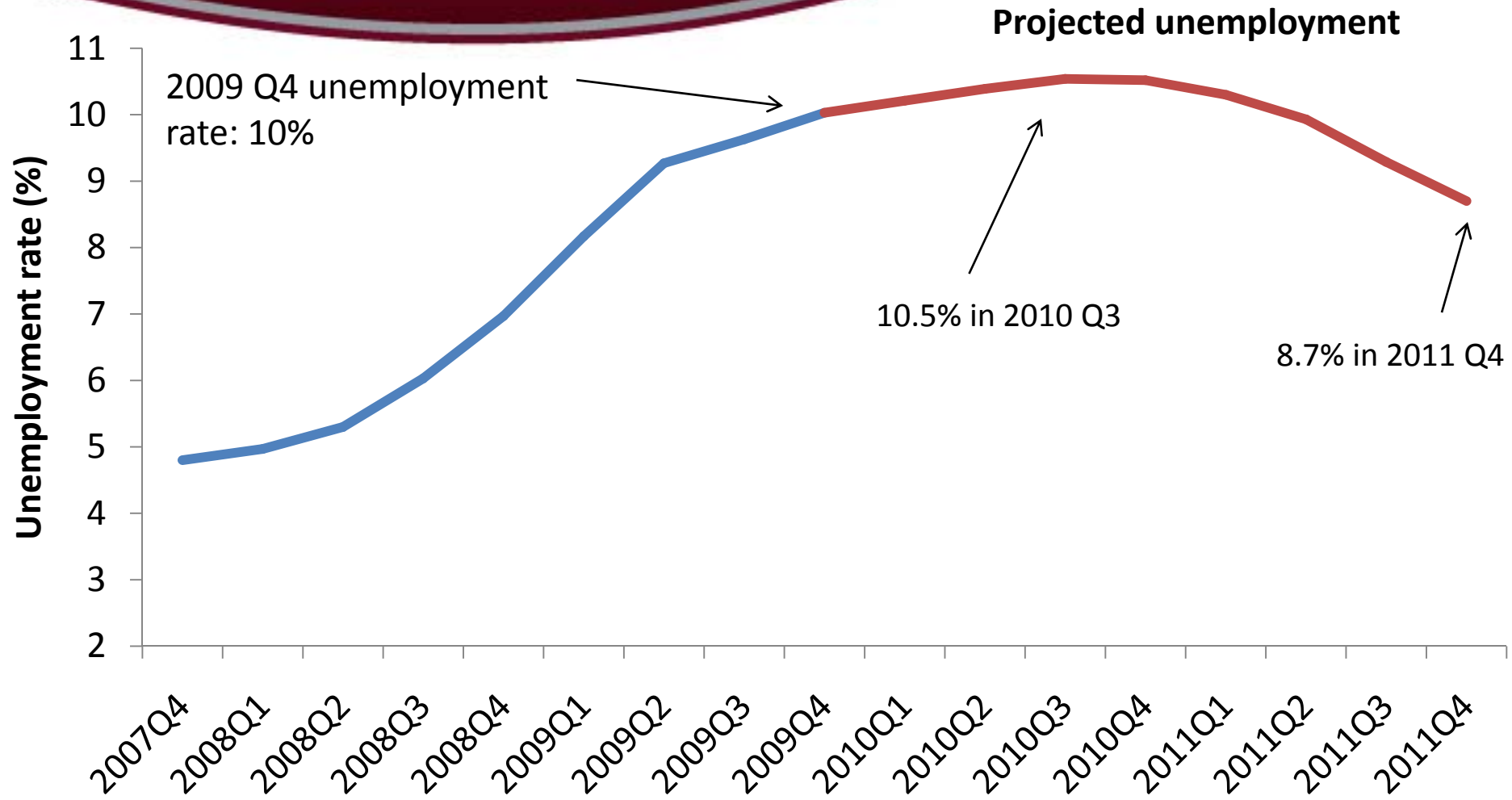
Lawrence Mishel

January 28, 2010

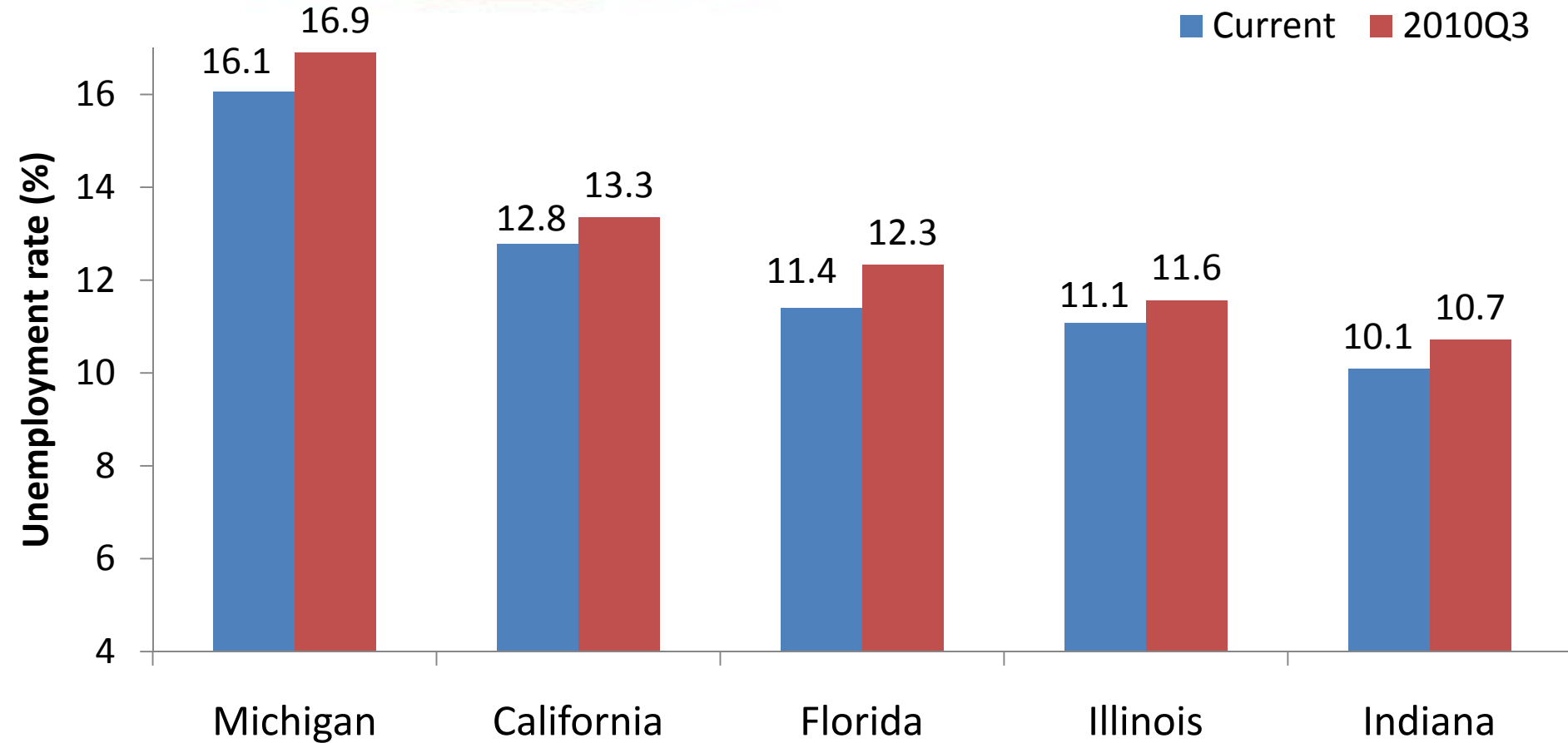
The jobs hole



Future unemployment



State unemployment projections



Extension of COBRA and UI

Provide help for the most vulnerable while getting the most “bang for the buck.”

- Increase COBRA subsidy from 65% to 80% and extend through 2010.
- Extend unemployment benefits (UI) through 2010
- Will produce 900,000 private sector jobs
- Investment of \$110 billion

Fiscal relief to state and local governments

State and local layoffs threaten vital services and slow economic recovery

- 62% of the impact of state/local budget cuts falls on the private sector
- Save 1.0 million jobs
- Investment of \$150 billion

Public service jobs

Fund jobs that are targeted to the needs of local communities

- Invest \$40 billion a year for three years
- One million jobs will be produced
- Efficient job creation tool

School modernization

During the summer of 2010, address the most urgent deferred maintenance at America's 97,000 public school buildings.

- Will create 240,000 jobs
- Investment of \$30 billion

Job Creation Tax Credit

An easily understood refundable tax credit to encourage businesses to add jobs and/or increase work hours

- Produce up to 2.8 million jobs*
- Cost \$80 billion*

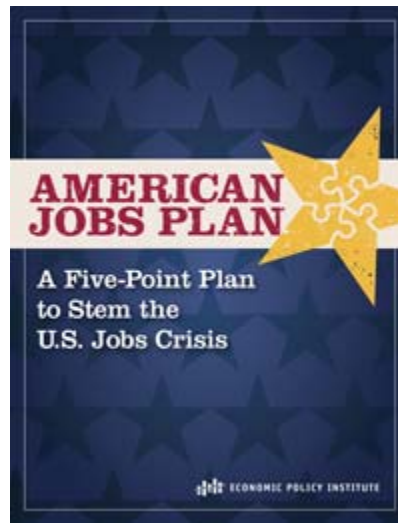
*
Uncertainty due to different assumptions in economic model

Deficit Reduction and Job Creation Together

- Large deficits are caused by the recession
- Investment of \$400 billion towards job creation will create 4.5 million jobs
- The path to deficit reduction goes through job creation, more taxpayers.
- Putting the brakes on investment can plunge us back into recession and limit growth potential

Connect with EPI

www.epi.org



www.AmericanJobsPlan.org

Deepak Bhargava

**Executive Director,
Center for
Community
Change**





Responding to the Great Recession – The Time for Bold Action is Now

Deepak Bhargava, Executive Director
Campaign for Community Change

The Great Recession – Devastating American Families

- We face an extended period of unacceptably high unemployment.
- While the recession touches almost every American, it is far more brutal to minority communities than the overall numbers show.
 - *In December 2009, the African-American unemployment rate was 16.2%*
 - *Unemployment among Latinos was 12.9%*
 - **More than one-third of African American children are now living in poverty**

Jobs for America Now

5 Point Plan to Respond to the Crisis

1. *Provide relief through continued and expanded unemployment benefits, COBRA, and supplemental nutrition assistance.*
2. *Extend substantial fiscal relief to state and local governments .*
3. *Directly create jobs that put people to work helping communities meet pressing needs.*
4. *Invest in infrastructure improvements that can provide jobs in the short run and productivity enhancements in the longer run.*
5. *Spur private-sector job growth through innovative incentives and providing credit to small and medium-sized businesses.*

The Community Jobs Emergency Employment Program

- One piece of the 5 point plan that we are especially focused on is a **new federally-funded direct job creation program** to put our people back to work immediately.
- We are calling for an investment of 40 billion dollars per year for two years, which we estimate will create at least two million jobs.
- The program we envision would place special emphasis on delivering job opportunities and needed services to low-income communities and communities of color suffering depression level unemployment and distress.

Creating Jobs

- A direct job creation program would provide federal resources to states and localities to create temporary jobs that pay good wages and provide benefits.
- Jobs could be created in the public and non-profit sector, and potentially in small businesses providing public goods.
- The program would require strong anti-displacement provisions and strict enforcement of these provisions.

Rebuilding Our Communities

- Local officials would be required to work with community residents to identify critical community needs and to create jobs that will help meet those needs.
- Because the focus of a Community Jobs program is on meeting community needs, everyone benefits – including unemployed workers who once again receive a paycheck, and community residents who see real improvements where they live as a result of the work that is done.

Call to Action

- We are calling on Congress and the Obama Administration to enact a community job creation program immediately.
- In the House, Congressman Keith Ellison (MN) has sponsored the “Put America to Work Act” which would authorize such a program. This bill already has 55 co-sponsors.
- Groups around the country are organizing in support of the Ellison bill and bold federal action to address the current crisis.

Organizing for Jobs



- For more information:

<http://www.campaignforcommunities.org>

Alan Charney

**Program Director,
USAction**

**Campaign Manager,
Jobs for America Now**



JOBS *for America Now*

January 28, 2010

Participating National Organizations

5MillionGreenJobs.org

AFL-CIO

African American Ministers In
Action

AFSCME

American Rights at Work

Americans for Democratic
Action, Inc.

Americans United for Change

Blue Green Alliance

Campaign for America's Future

Center for Community Change

Center for Law and Social Policy

Change to Win

Coalition on Human Needs

Community Action Partnership

Demos

Direct Care Alliance

Economic Justice Coalition

Economic Policy Institute

Every Child Matters Education
Fund

Food Research and Action Center

Half in Ten Campaign

Hispanic Federation

Inequality and the Common Good

Program of the Institute for Policy
Studies

Insight Center for Community Economic
Development

Japanese American Citizens League

Jobs with Justice

Leadership Conference on Civil Rights

Legal Momentum

NAACP

National Advocacy Center of the Sisters
of the Good Shepherd

National Association for State
Community Services Programs

National Association of Social Workers

National Community Reinvestment
Coalition

National Council of Jewish Women

National Council of La Raza

National Council on Aging

National Employment Law Project

National Gay and Lesbian Task Force
Action Fund

National Partnership for Women and
Families

National Priorities Project

National Women's Law Center

NETWORK: A National Catholic Social
Justice Lobby

ProgressNOW

Project Community, Inc.

SCLC

SEIU

Student Association for Voter
Empowerment

Unitarian Universalist Association of
Congregations

United Church of Christ, Justice and
Witness Ministries

United for a Fair Economy

United Methodist Church, General
Board of Church and Society

United Neighborhood Centers of
America

United States Student Association

USAction

Wider Opportunities for Women

WiLL-Women Legislators' Lobby

Women's Action for New Directions

The Workforce Alliance

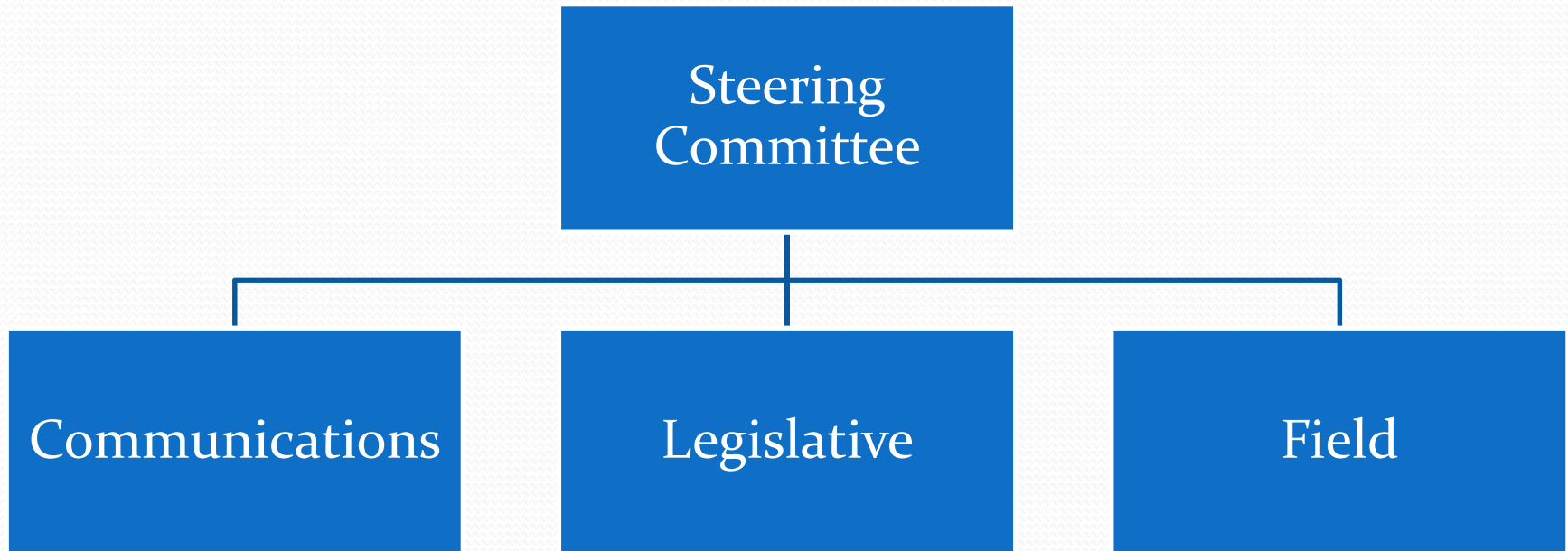
Working America

YouthBuild USA

A Strategy for Jobs

- The current economic crisis is different from any recession the U.S. has experienced since the Great Depression. Unlike previous recessions, private sector investment will not be the primary engine of job creation to get us out of this Great Recession. Only a bold and prolonged effort by the government will create the millions of jobs we need.
- We must view Jobs for America Now as a long term campaign. We will fight intensely for the maximum legislative gains possible this year. But we need a campaign trajectory that reaches well beyond one year, because we know the jobs crisis will be prolonged.
- Our field activities must not be constrained by legislative targets. We need a mass movement that reaches all 50 states.
- We need a centralized communications effort that both supports and is driven by our field capacity. We must win the battle of ideas against our corporate and conservative opponents.

Organizational structure



UI and COBRA

- We must extend UI and COBRA to help those impacted by the recession.
- Unemployment Insurance has a strong stimulus effect.
- If UI is not extended by February 19th, UI offices around the country will start to end their programs.
- Loss of benefits will devastate working families and struggling communities while further weakening the economy.
- House passed extension, Senate is considering it

House - Jobs for Main Street Act



- Passed by the House on Dec. 16th
- Costs \$154 billion
- Purpose: create or save jobs with targeted investments for highways and transit, school renovation, hiring teachers, police and firefighters, small business, job training and affordable housing – cost-efficient drivers of economic growth.
- Investments paid for by redirecting TARP funds from Wall Street to Main Street.
- Contains UI and COBRA extension
- An important first step towards lowering unemployment, though additional steps are necessary to stem the jobs crisis.

Senate

- Package is in the discussion stage and Democrats hope to have it on the floor in 2-3 weeks.
- Initial version costs \$80 billion-plus and will be heavy on tax breaks designed to spur businesses to create jobs.
- Other credits targeted at small businesses are also expected: money for new infrastructure and clean energy programs, possibly including a "cash for caulkers" plan. Also includes aid to state governments to help prevent layoffs of vital public employees.
- Doesn't include money for UI and COBRA extension
- Most costs offset using unspent TARP bailout funds

White House

- On Monday, President Obama unveiled proposals to help middle-class families: an increase in the Child and Dependent Care Tax Credit, automatic workplace IRA contributions and expanded help for families with elderly relatives.
- Proposals to boost the economy from the SOTU address: a series of middle class tax cuts and tax credits for small businesses to create jobs.
- Prior to the address, the President called for a freeze in non-defense spending

Take Action!

- Here are five steps you can take right now in support of extending unemployment insurance and COBRA benefits and in support of a REAL and ROBUST jobs program:
- Call your Senators and tell them you support extending UI benefits – remember: the Senate must act by Friday, Feb. 18.
- Send a letter to your member of Congress supporting UI extension AND a real jobs program.
- Distribute social media content (blogs, Twitter, Facebook). Much of this content already is developed – contact Sarah VonEsch at USAction at svonesch@usaction.org
- Write a letter to the editor of your local newspaper illustrating the need for jobs in your local community.

Thanks!

For more information, contact

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