Unemployed In America

Job Market, Prospects for Employment, and Impact of Unemployment on Families and the Unemployed

Key findings from a survey among 400 unemployed adults
Conducted November 14 – 18, 2008
Survey commissioned by

NELP
National Employment Law Project
Serious Concern About Current Job Market

Finding an acceptable job in today’s market

- Very hard: 94%
- Easy: 6%

Finding an acceptable job today vs. when I have looked in the past

- Much harder: 88%
- Same/Easier: 9%
Low Confidence In Prospects For Finding A Job In Next Four Months

- **Very/fairly confident**
  - All unemployed: 62%
  - Unemployed 12 months/longer: 24%
  - Midwest: 26%
  - Age 45/over: 28%

- **Just somewhat/not at all confident**
  - All unemployed: 37%
  - Unemployed 12 months/longer: 76%
  - Midwest: 73%
  - Age 45/over: 70%
If a job acceptable in most ways is offered to you, which of these concessions would you be willing to accept?

- Job is in a different field than previous job: 83%
- Doesn’t provide retirement benefits: 71%
- Pays less than previous job: 63%
- Doesn’t provide health insurance: 62%
- Would require me to move: 34%
Families Hard Hit By The Economy

- 34% have other immediate family members who have experienced an employment-related hardship.
  - 21% have been laid off or fired
  - 14% had work hours reduced
  - 7% experienced a pay cut

- Almost half (47%) have at least one minor child living at home whom they help support.

- 63% were responsible for contributing at least half of their family’s income before becoming unemployed.

- 29% say that another family member has had to start a job or increase work hours.
Serious Concern About Ability To Provide For Family’s Basic Needs

- Very concerned
- Fairly concerned
- Not at all concerned
- Just somewhat concerned

<table>
<thead>
<tr>
<th>Category</th>
<th>Very Concerned</th>
<th>Fairly Concerned</th>
<th>Not at All Concerned</th>
<th>Just Somewhat Concerned</th>
</tr>
</thead>
<tbody>
<tr>
<td>All unemployed</td>
<td>59%</td>
<td>20%</td>
<td>43%</td>
<td>40%</td>
</tr>
<tr>
<td>Other household member lost job</td>
<td>71%</td>
<td>19%</td>
<td>56%</td>
<td>29%</td>
</tr>
<tr>
<td>Income under $20,000</td>
<td>68%</td>
<td>16%</td>
<td>60%</td>
<td>31%</td>
</tr>
<tr>
<td>Age 45/over</td>
<td>67%</td>
<td>12%</td>
<td>51%</td>
<td>32%</td>
</tr>
</tbody>
</table>
Unemployment Benefits Are Critical

How important have unemployment benefits been in helping your family meet basic needs?*

- Very important: 77%
- Fairly important: 11%
- Less important/not sure: 12%

Unemployment benefits have helped pay for:
- Food/groceries (52%)
- Rent/mortgage (40%)
- Bills/expenses (30%)
- Utilities (27%)

Among those whose UI benefits have run out, 57% say it has had a major impact on their financial situation.

*among adults who have received unemployment benefits
Meeting Basic Food Needs Is A Challenge

- Cut back spending on food and groceries: 67% (family), 73% (worried)
- Had trouble paying for family’s basic groceries: 37% (family), 50% (worried)
- Child received free/reduced meals at school: 34% (family), 46% (worried)
- Received free food from family or friends: 35% (family), 45% (worried)
- Received food stamps: 25% (family), 39% (worried)
- Skipped meals: didn’t have money for food: 26% (family), 38% (worried)
- Received free food from charity: 16% (family), 34% (worried)

84% of all unemployed adults have experienced at least one of these challenges.
Unemployment Benefits Help Meet Basic Food Needs

% saying this has happened to them while unemployed

Had trouble paying for basic groceries
- Have not received UI: 39%
- Currently receive UI: 26%

Received free food from family or friends
- Have not received UI: 37%
- Currently receive UI: 30%

Skipped meals because not enough money for food
- Have not received UI: 29%
- Currently receive UI: 15%
Many Fall Behind On Housing

- 35% of renters have had to move or move in with friends or family.

- 46% of renters have fallen behind on rent, and 23% worry that they will fall behind.

- Unemployed homeowners also are struggling:
  - 25% have fallen behind on their mortgage.
  - 19% have had an increase in their mortgage interest rate.
  - 11% have been threatened with or entered into foreclosure proceedings, and 5% have foreclosed on their home.
Health Care Poses Serious Challenge

Did not have health insurance before becoming unemployed

Lost health insurance since becoming unemployed

Have health insurance

61% have postponed medical or dental treatment for financial reasons (46%) or are worried about having to do so (15%).
Impact Of Unemployment Is Severe

- Increased family stress: 78% (82%)
- Cut back spending on children (parents w/kids <18): 61% (70%)
- Had home/cell phone service turned off: 30% (50%)
- Had to interrupt education or training: 26% (38%)
- Gas, electricity, heat disconnected, turned off: 14% (36%)
- Had to stop paying for child care or elder care: 17% (33%)
I have done this to meet basic needs since becoming unemployed.

- Spent more savings than I had planned: 67%
- Borrowed money to pay expenses: 49%
- Sold personal possessions: 36%
- Increased my credit card debt: 29%
- Took money out of retirement account: 27%
- Sold a car, truck, other vehicle: 20%

Those age 45/over are significantly more likely to have taken money out of their retirement or their savings.
Unemployed Workers Need More Employment Services/Assistance

Availability of Government Employment Services

- 27% Have enough services
- 67% Need more services

Extension of UI Benefits beyond 13-Week Federal Extension

- 86% Very helpful
- 73% Very/fairly helpful
- 12% Less/not helpful
Unemployed In America

Job Market, Prospects for Employment, and Impact of Unemployment on Families and the Unemployed

Key findings from a survey among 400 unemployed adults
Conducted November 14 – 18, 2008
Survey commissioned by

NELP
National Employment Law Project
### Challenges Faced By Low And Middle Income Unemployed

% saying *this has happened to them while unemployed*

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Family income &lt; $50K</th>
<th>All unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Had trouble paying for basic groceries</td>
<td>45%</td>
<td>37%</td>
</tr>
<tr>
<td>Received free food from family or friends</td>
<td>41%</td>
<td>35%</td>
</tr>
<tr>
<td>Had home/cell phone turned off</td>
<td>38%</td>
<td>30%</td>
</tr>
<tr>
<td>Turned down for loan/line of credit</td>
<td>35%</td>
<td>28%</td>
</tr>
<tr>
<td>Skipped meals because not enough money for food</td>
<td>33%</td>
<td>26%</td>
</tr>
</tbody>
</table>
### Challenges Faced By Older Unemployed Workers

**% saying they have done this while unemployed**

<table>
<thead>
<tr>
<th>Activity</th>
<th>Older Unemployed</th>
<th>All Unemployed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cut back driving due to gas prices</td>
<td>87%</td>
<td>77%</td>
</tr>
<tr>
<td>Spent more savings than I had planned</td>
<td>73%</td>
<td>67%</td>
</tr>
<tr>
<td>Took money out of retirement account</td>
<td>40%</td>
<td>27%</td>
</tr>
<tr>
<td>Increased my credit card debt</td>
<td>34%</td>
<td>29%</td>
</tr>
</tbody>
</table>