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WENDELL PRIMUS  
STAFF DIRECTOR

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**AS THE JOBLESS RECOVERY DRAGS ON, UNEMPLOYMENT  
INSURANCE MUST BE EXTENDED AGAIN**

Dear Colleague:

I want to call your attention to the attached charts, prepared by the Joint Economic Committee (JEC) Democrats, showing that with the economy on track to post the most protracted recession in payroll jobs since the 1930s, the current Federal Temporary Emergency Unemployment Compensation (TEUC) program will need to be extended beyond its December 2003 expiration date.

Republicans and the White House will once again be reluctant to extend and strengthen federal Unemployment Insurance (UI) benefits. They will argue that we should wait until early next year to see if it is necessary to extend the program. But the case for extending TEUC benefits again is already clear. During the last recession federal UI benefits were more generous and lasted longer than the current program, phasing out only as payroll jobs rebounded.

In the early 1990s it took 31 months after the start of the recession in July 1990 to recover the jobs lost in that recession, making it the most prolonged recession and jobless recovery since the 1930s. Notwithstanding a modest pickup in job creation in September, the current jobless recovery will reach the 31-month mark in October with a substantial jobs deficit, and it will be many more months before that deficit is erased.

Unemployment Insurance (UI) provides benefits for up to 26 weeks for eligible beneficiaries, but in September, 23 percent of the 9 million unemployed Americans had been unemployed for 27 weeks or longer—the highest percentage in two decades. TEUC is scheduled to expire in December, when there will certainly still be a very large jobs deficit.

All of the JEC Democrats' "Economic Points-of-Interest Charts" or E-PICs can be viewed at <http://jec.senate.gov/democrats>. These charts are downloadable for use on the floor or in newsletters.

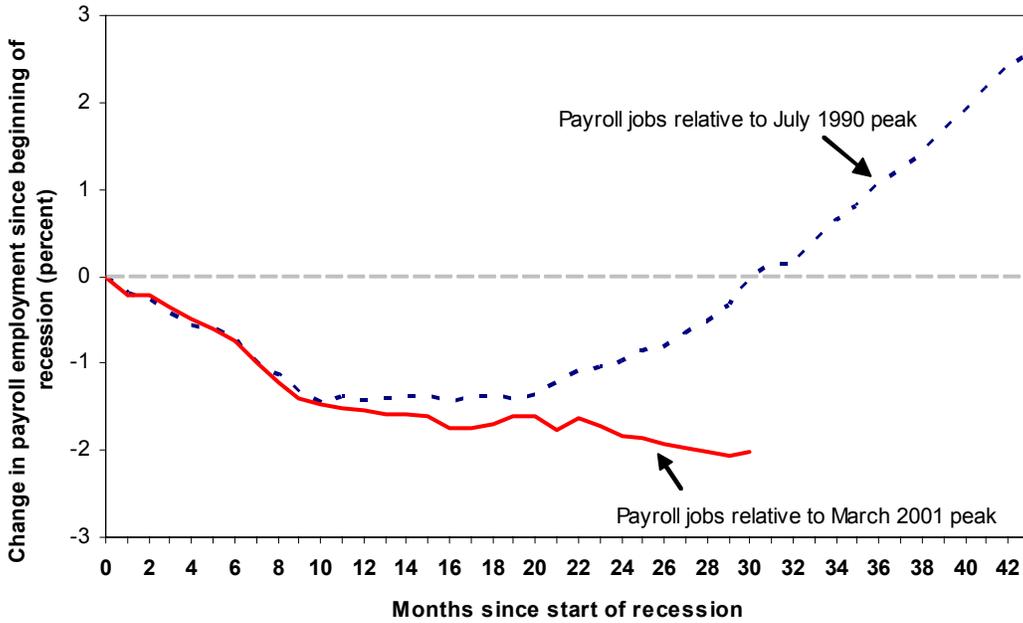
Please take the time to view the charts and to understand why the case for extending federal UI benefits is clear now. If you have questions about this E-PIC, please talk to me or have your staff contact JEC staff director Wendell Primus at 202-224- 0372 or e-mail him [Wendell.Primus@jec1.senate.gov](mailto:Wendell.Primus@jec1.senate.gov).

Sincerely,

Pete Stark

### Current Jobless Recovery Is Worse Than That of 1990-91

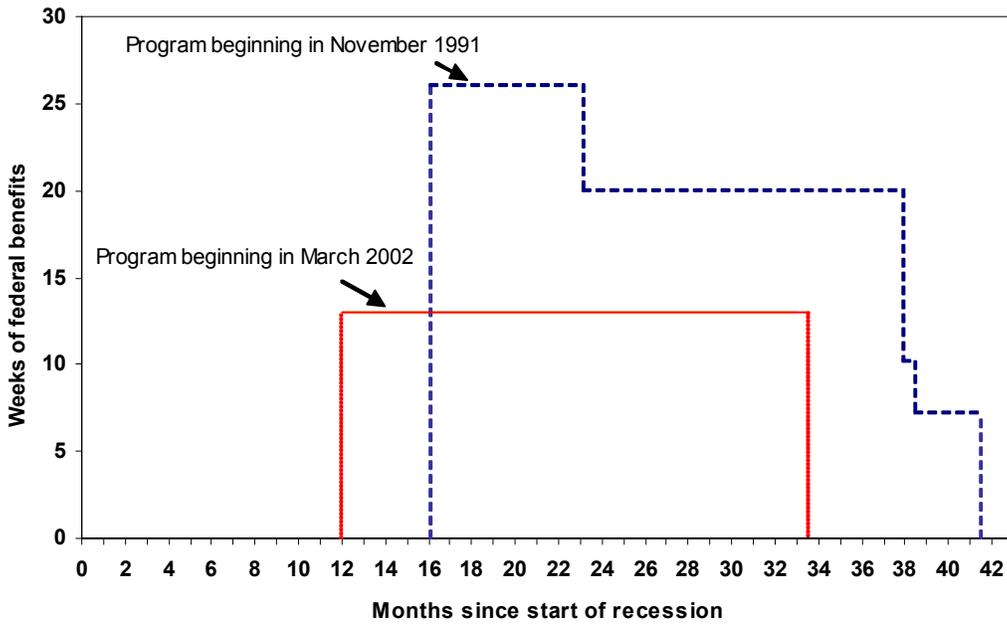
Percentage Change in Employment from Peak



Source: Bureau of Labor Statistics, U.S. Department of Labor

### Temporary Federal Unemployment Benefits Are Less Generous

Standard Number of Weeks of Temporary Federal Benefits



Source: Congressional Research Service.