
Unemployed Workers' Attitudes On The Economy, Prospects For Employment, And Unemployment Insurance

*Findings from a national survey of unemployed workers, conducted by
Peter D. Hart Research Associates, Inc.*

Unemployed workers express serious concern about the current job market. They feel that finding a job has become more difficult, they are pessimistic about their prospects for finding acceptable employment in the coming months, and are willing to make serious sacrifices to obtain employment.

- Unemployed adults overwhelmingly express concern about finding a job in the current market. More than nine in 10 say it will be very (59%) or fairly (35%) hard to find employment in today's job market. This reflects increasing concern when compared with findings from a similar 2003 poll among unemployed workers, when 86% of unemployed workers expressed these concerns.
- Workers feel that finding employment has become more challenging, with nearly nine in 10 feeling it is much (63%) or somewhat (25%) harder to find acceptable employment now, compared with other times when they have looked for work. Unemployed workers from the Midwest express this concern at even higher rates, with 78% saying they think it is much harder to find acceptable employment now.
- In fact, more than three in five unemployed workers are just somewhat (33%) or not at all (29%) confident that they will find an acceptable job within the next four months, and only 41% are very confident that they will find an acceptable job within the next year.
 - Groups that express at significantly higher rates a lack of confidence they will find an acceptable job in the next four months include workers who are over age 44 (42% not at all confident), those that have been unemployed for the past 12 months (41%), and those from the Midwest (39%).
- Unemployed workers are fairly split on their outlook for the future. Half (50%) feel more worried and concerned about being able to achieve their economic and financial goals while 45% feel hopeful and confident.
- Among those with children under age 18, their outlook for their children also is split, with 49% saying they feel worried and concerned about their children's ability to achieve their goals as they grow into adults, and the same proportion saying they feel hopeful and confident.

The negative consequences of unemployment are harsh and impact nearly every aspect of life, including family relationships, the ability to provide housing and health care, and to meet basic family needs, such as food and utilities. Unemployed adults express serious concern about their ability to meet these basic needs.

- Nearly two-thirds (63%) of unemployed workers included in the sample were responsible for bringing in at least half of their household's income before they became unemployed, and 34% have had another member of their immediate family or household experience an employment-related hardship, such as being laid off or fired (21%), having work hours cut (14%), or taking a pay cut (7%).
- Approximately half (47%) have children under age 18 in their household that they help support.
- Six in 10 unemployed adults say they are very (43%) or fairly (16%) concerned that they will not have the resources to meet their family's basic needs in the next three to six months.
 - Groups of unemployed workers who express this concern at even higher rates include those with incomes less than \$20,000 (60%), those who have someone else in their household who has lost a job (56%), and those over age 44 (51%).
 - Nearly eight in 10 (78%) report that family stress has increased since becoming unemployed.
- Unemployed workers are particularly vulnerable to losing health coverage. One-third (32%) of the sample lost their health insurance since becoming unemployed, and less than half (45%) have health insurance.
 - Forty-six percent (46%) have postponed medical or dental treatment for financial reasons since becoming unemployed, and another 15% worry that they will have to do this. Workers who report postponing medical or dental care at even higher rates include those who lost their health insurance since becoming unemployed (64%), African Americans and Hispanics (53%), and those with incomes less than \$20,000 (53%).
- Keeping up with housing costs also is difficult for unemployed workers. One-third (35%) of unemployed renters in the sample had to move or move in with friends or family and nearly half (46%) of renters have fallen behind on rent.
 - Among homeowners, 25% have fallen behind on their mortgage payments, 19% have seen their mortgage loan interest rate increase, 11% have been threatened with or entered into foreclosure proceedings, and 5% have foreclosed on their home.
- Nearly one-third (30%) has had home or cellular phone service turned off and 14% have had gas, heat, or electricity turned off, with another 22% worrying that this will happen to them.

- Increasing food prices have made it difficult for many unemployed workers to meet their family's basic food needs. Two-thirds (67%) of unemployed workers report cutting back on spending for food and groceries. Unemployed workers who report cutting back on food spending at even higher rates are those over age 44 (79%), and those with annual household incomes less than \$20,000 (77%).
 - More than one-third has had trouble paying for basic groceries to meet their family's needs (37%) or has received free food or groceries from family or friends (35%). One-third (34%) of parents with children under age 18 has received free or reduced meals at school for them.
 - More than one-quarter has skipped meals (26%) or has received food stamps (25%), while 16% have received food assistance from a food pantry or charity.
- Among parents of children under age 18, 61% have cut back on spending on their children for things such as clothing or school supplies.
- One in four (26%) unemployed workers has had to interrupt education or training for themselves or for a family member due to financial constraints.
- Unemployed workers make a wide variety of sacrifices to meet their family's needs:
 - Seventy-seven percent (77%) have cut back on driving due to high gas prices.
 - Sixty-seven percent (67%) have spent more of their savings than they had planned, 29% have increased their credit card debt, and 27% have prematurely dipped into their retirement savings or pension plan.
 - Unemployed workers of today report making sacrifices that involve dipping into savings and future retirement funds at substantially higher rates than in 2003. In 2003, 57% reported spending more of their savings than planned (compared with 67% in 2008) and 15% reported prematurely dipping into their retirement savings or pension plans (compared with 27% in 2008).
 - Forty-nine percent (49%) have borrowed money to pay current expenses.
 - Thirty-six percent (36%) have sold personal possessions and 20% have sold a vehicle to get by.
 - Twenty-nine percent (29%) have another family member that has increased their hours or started a job to help meet basic needs.

Unemployment Insurance (UI) benefits play a critical role in helping unemployed workers meet their basic needs and support their families. Overwhelmingly, those who receive UI benefits characterize them as a very important resource, and for those who have had benefits expire, the impact is substantial. On many measures, unemployed workers who do not receive UI benefits report even greater hardship than those who do.

- Among unemployed adults who currently are receiving or who have received UI benefits in recent years, nine in 10 report that those benefits have been very (77%) or fairly (11%) important in helping them meet their family's basic needs.
 - The most important things that UI benefits help pay for include food and groceries (52%), rent or mortgage payments (40%), day-to-day living expenses (30%), utilities (27%), and car payments and insurance (19%).
- The expiration of UI benefits takes a significant toll on unemployed workers and their families. Among those whose benefits have expired, greater than four in five report that it has had a major (57%) or minor (26%) impact on their financial situation.
- Two-thirds (65%) of the sample is not receiving UI benefits and have not in the past two years. These unemployed workers experience significant hardship meeting their basic needs
 - 39% had trouble paying for basic groceries.
 - 37% received free food from family or friends.
 - 29% skipped meals because they could not afford food.
- More than two in five (43%) unemployed workers report having used some form of government employment services since becoming unemployed.
- By more than two to one (67% to 27%), unemployed workers feel that more government employment services should be available for people who are looking for work.
 - An overwhelming majority characterizes extending UI benefits beyond 13 weeks as very (73%) or fairly (13%) helpful.

From November 14 to 18, 2008, Peter D. Hart Research Associates, Inc., conducted a nationwide telephone survey among 400 unemployed adults, defined as currently unemployed and looking for work, not on layoff, available to start work, and having looked for work within the past 12 months. The criteria used for selecting respondents means the survey includes more long-term unemployed adults than those included in the Bureau of Labor Statistics' estimates. Approximately one-quarter (23%) of the sample currently is receiving UI benefits, 12% have received them in the past two years but are not currently, and 65% have not received them. In order to include unemployed workers who are a part of the growing number of cell-phone only households, approximately 10% of the interviews were conducted among cell-phone only households. The margin of error for the survey is ± 4.9 percentage points and is higher for specific subgroups.