



The Effects of the Great Recession on American Workers: What it Means for Workforce Policy and Practice

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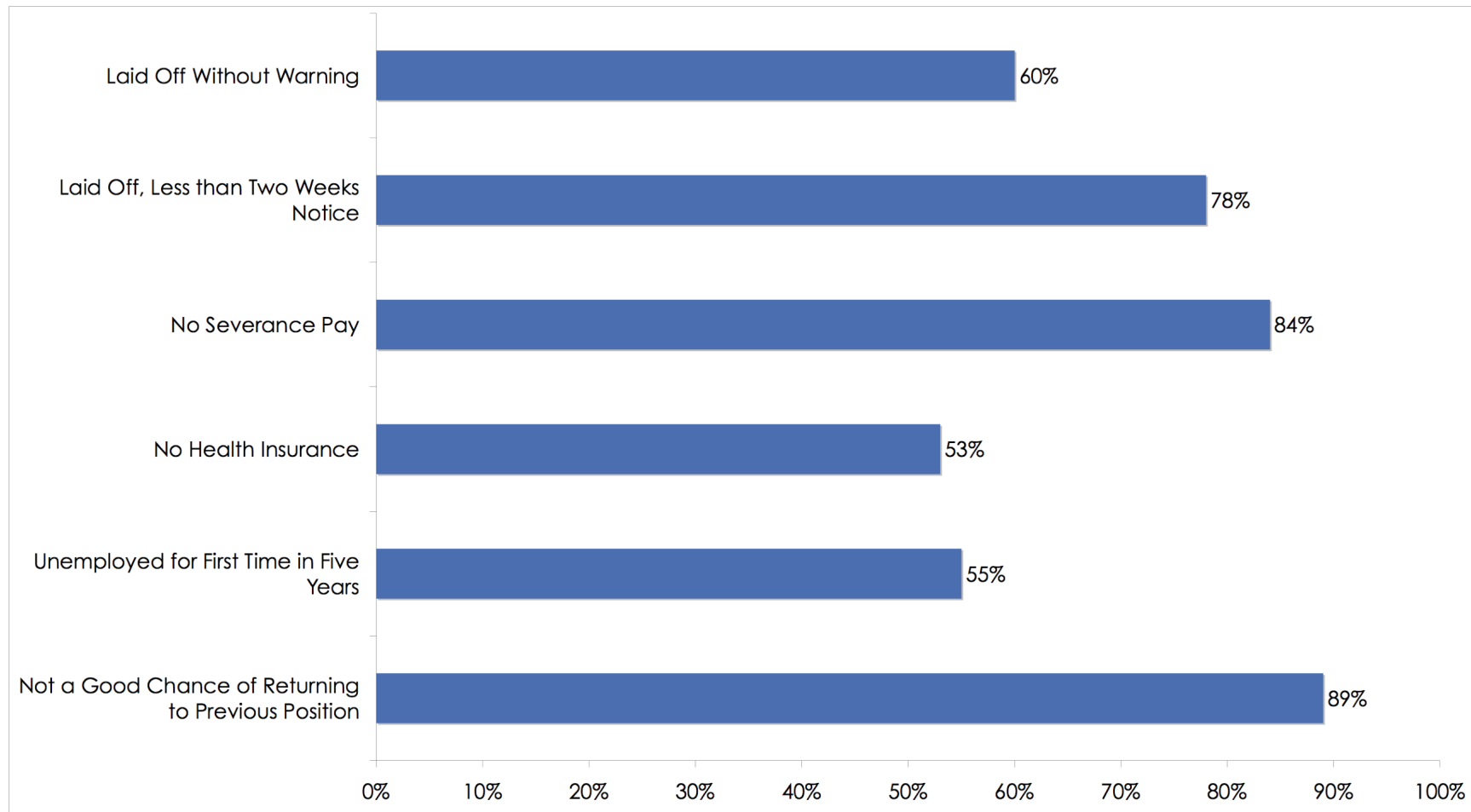
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An Unprecedented Recession

- The nation's longest recession
- Highest official unemployment rate in 30 years
- Over 17 million officially unemployed; millions more discouraged or underemployed
- 8.5 million jobs lost since December 2007
- Longest average length of unemployment in 62 years

The Unemployment Experience



Source: Van Horn, C., and Zukin, C., "The Anguish of Unemployment," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, September 2009.

Employment Status of Workers Who Lost Jobs During the Recession

	August 2009	March 2010	November 2010
Unemployed and Looking	75%	54%	54%
Unemployed, Not Looking, Discouraged	5%	13%	13%
Employed Full time Part time, don't want full time	19%	33%	34% (26%) (8%)
Total	99%	100%	101%
Number of Respondents	1,202	908	764

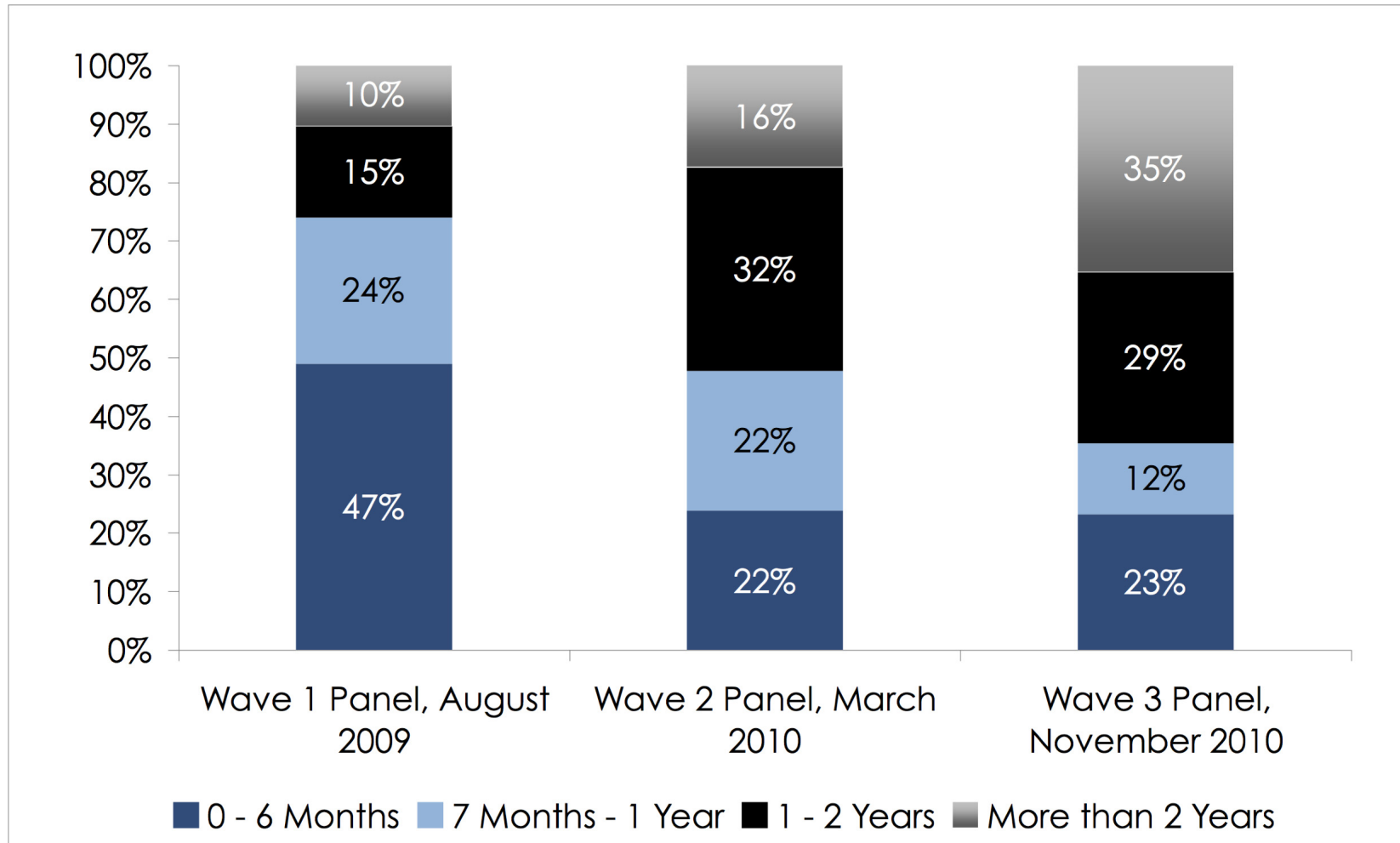
Source: Van Horn, C., and Zukin, C., "Unemployed Workers and the Great Recession: Highlights from the Heldrich Center's Work Trends Reports, 2009-2010," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, January 2011.

Employment Status by Demographic Groups

	Employed	Not in Labor Force	Unemployed and Looking for Work	Total %	Total Number
Age					
18 - 34	41%	12%	47%	100%	161
35 - 54	32%	12%	57%	101%	332
55+	21%	17%	62%	100%	271
Education					
High school or less	33%	17%	51%	101%	198
Some college	28%	5%	67%	100%	265
Bachelor's degree or higher	43%	14%	42%	101%	301
Gender					
Male	35%	13%	53%	101%	378
Female	31%	13%	56%	100%	386
Race/Ethnicity					
White, non-Hispanic	37%	12%	51%	100%	542
Black, non-Hispanic/Other, non-Hispanic/Hispanic	29%	11%	60%	100%	150
Income					
Less than \$30K	27%	14%	60%	101%	245
\$30K - \$60K	29%	10%	61%	100%	244
More than \$60K	56%	16%	28%	100%	275

Source: Van Horn, C., and Zukin, C., "Unemployed Workers and the Great Recession: Highlights from the Heldrich Center's Work Trends Reports, 2009-2010," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, January 2011.

Duration of Unemployment



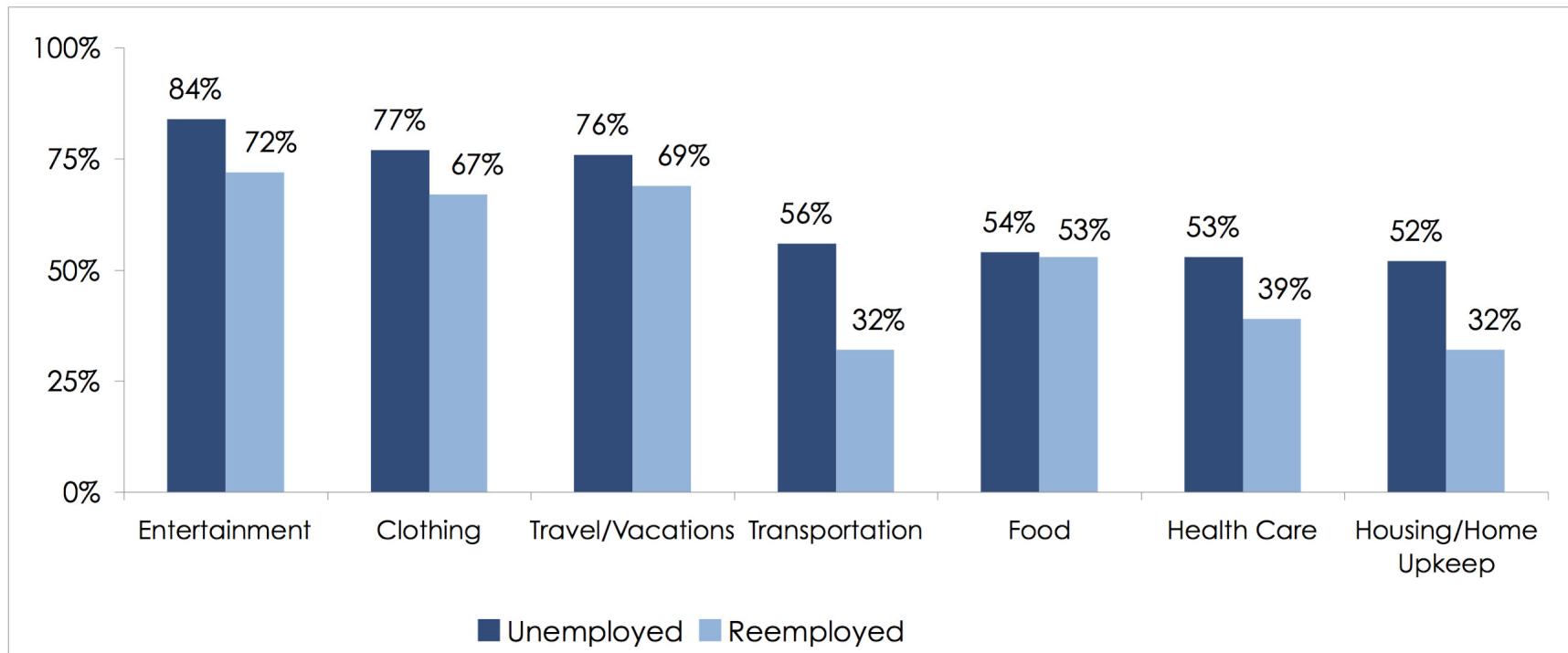
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Severe Financial Impacts of Unemployment

	Economy has Major Impact on Family	Poor Financial Shape	Family's Financial Situation is Worse Compared to Two Years Ago	Have a "Lot Less" in Personal Income and Personal Savings
Full Sample	61%	46%	57%	58%
Employment Status				
Unemployed	67%	60%	61%	65%
Long-term unemployed	75%	74%	68%	76%
Reemployed	52%	27%	52%	48%
Age				
18 - 34	51%	41%	47%	46%
35 - 54	69%	51%	64%	67%
55+	67%	47%	66%	65%
Education				
High school or less	58%	49%	57%	61%
Some college	67%	53%	59%	60%
Bachelor's degree or higher	59%	31%	55%	48%
Gender				
Male	61%	49%	61%	57%
Female	61%	42%	52%	59%
Race				
White, non-Hispanic	56%	45%	59%	57%
Black/Hispanic	69%	48%	54%	61%

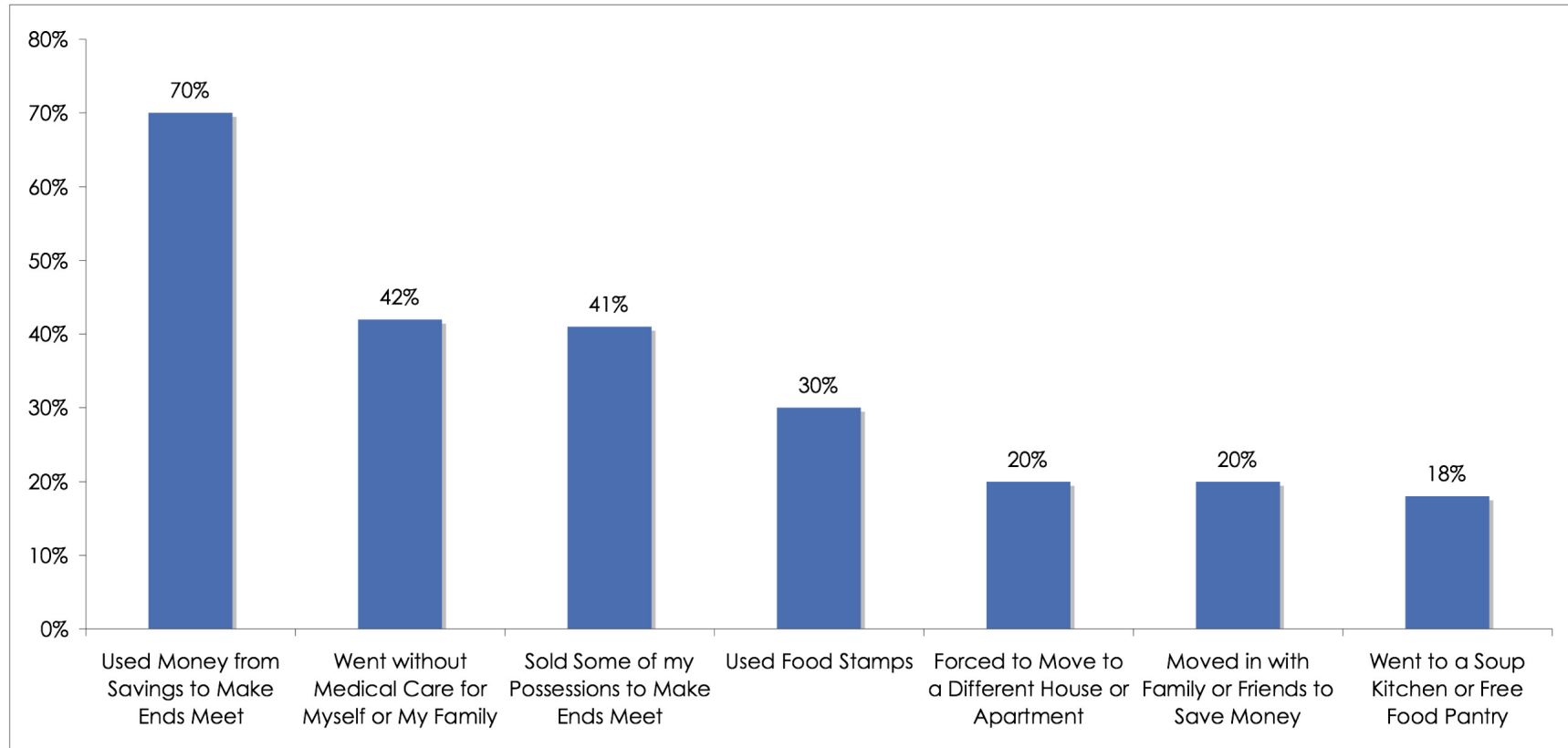
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Reduced Spending During the Recession



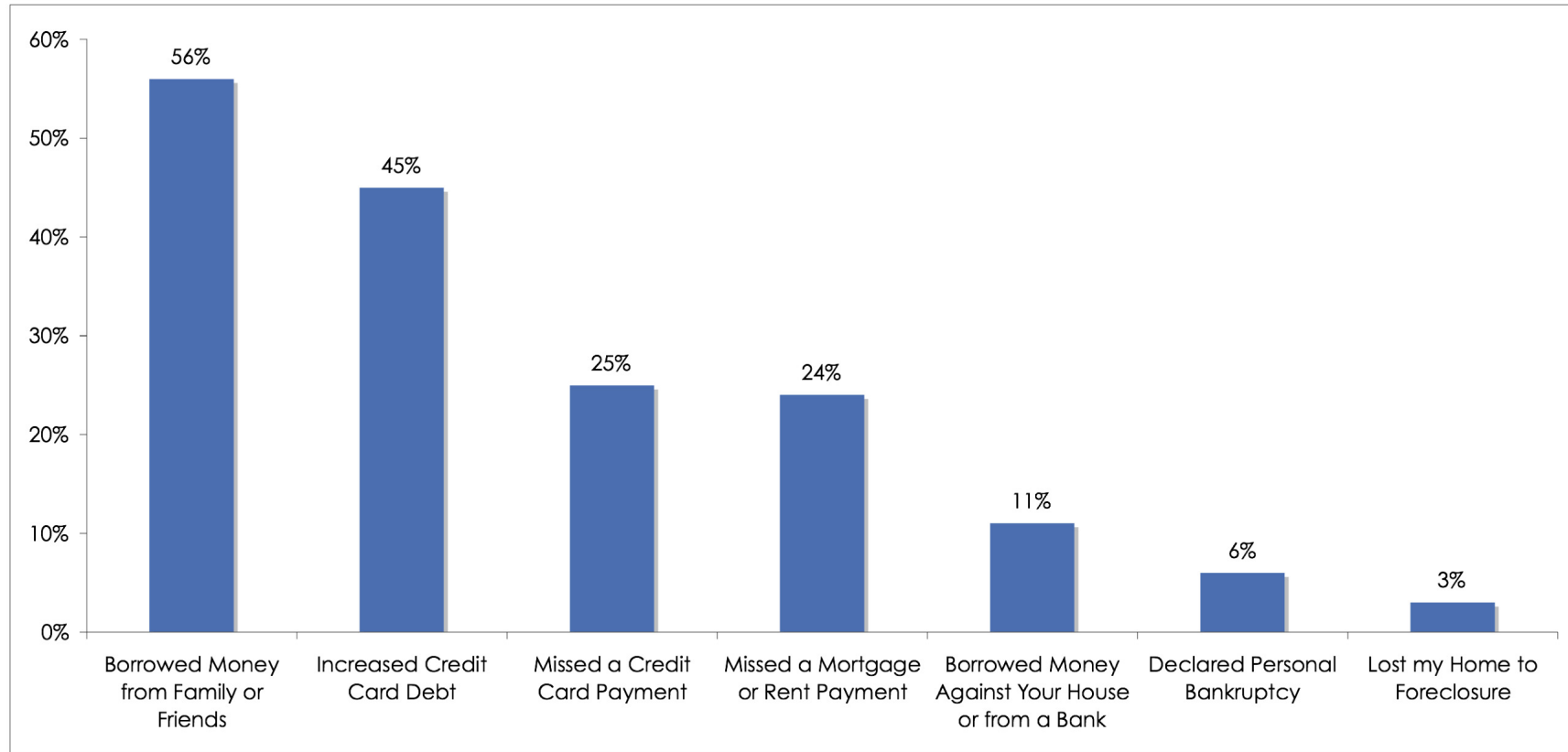
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Trying to Make Ends Meet Unemployed, March 2010



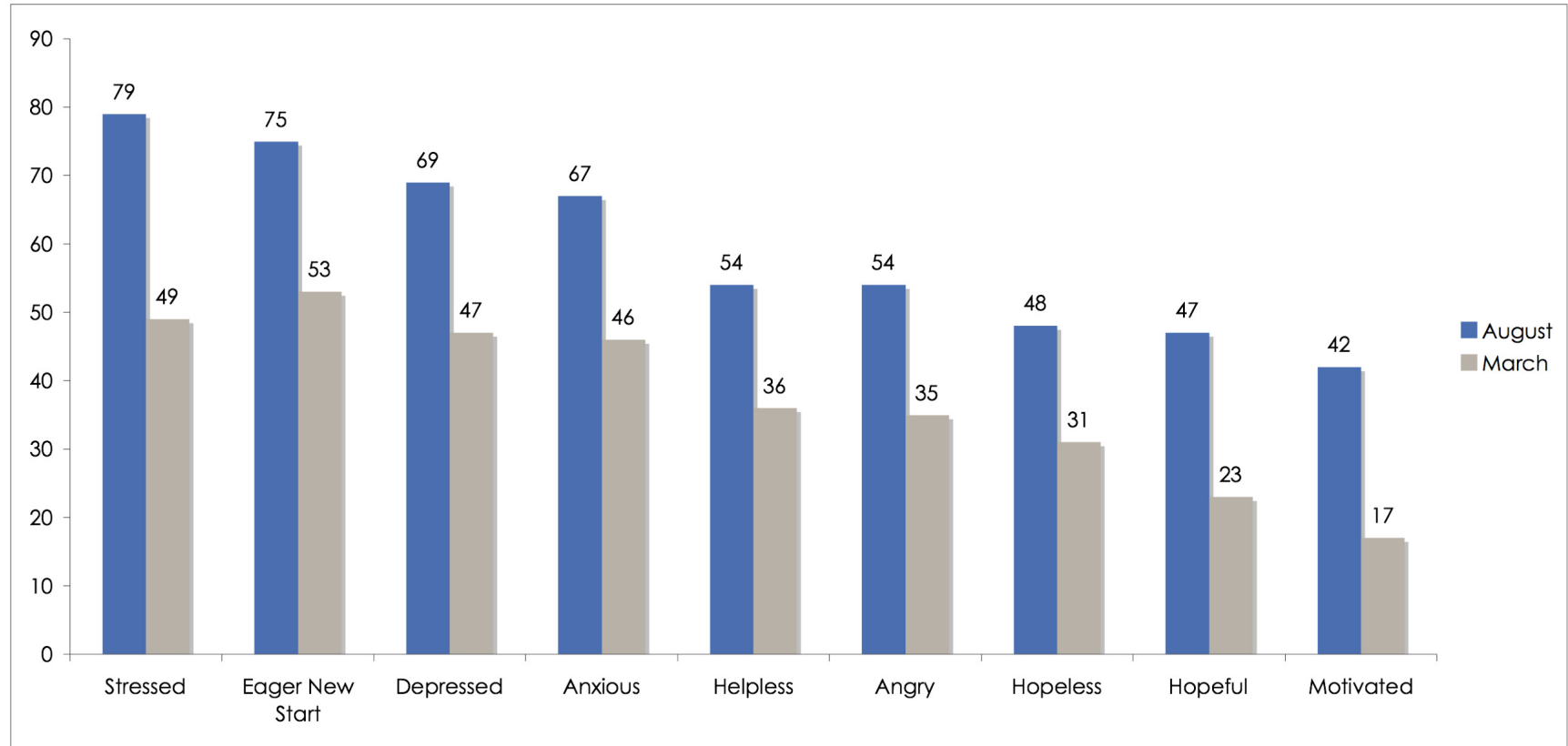
Source: Borie-Holtz, D., Van Horn, C., and Zukin, C., "No End in Sight: The Agony of Prolonged Unemployment," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, May 2010.

Sinking Deeper into Debt Unemployed, March 2010



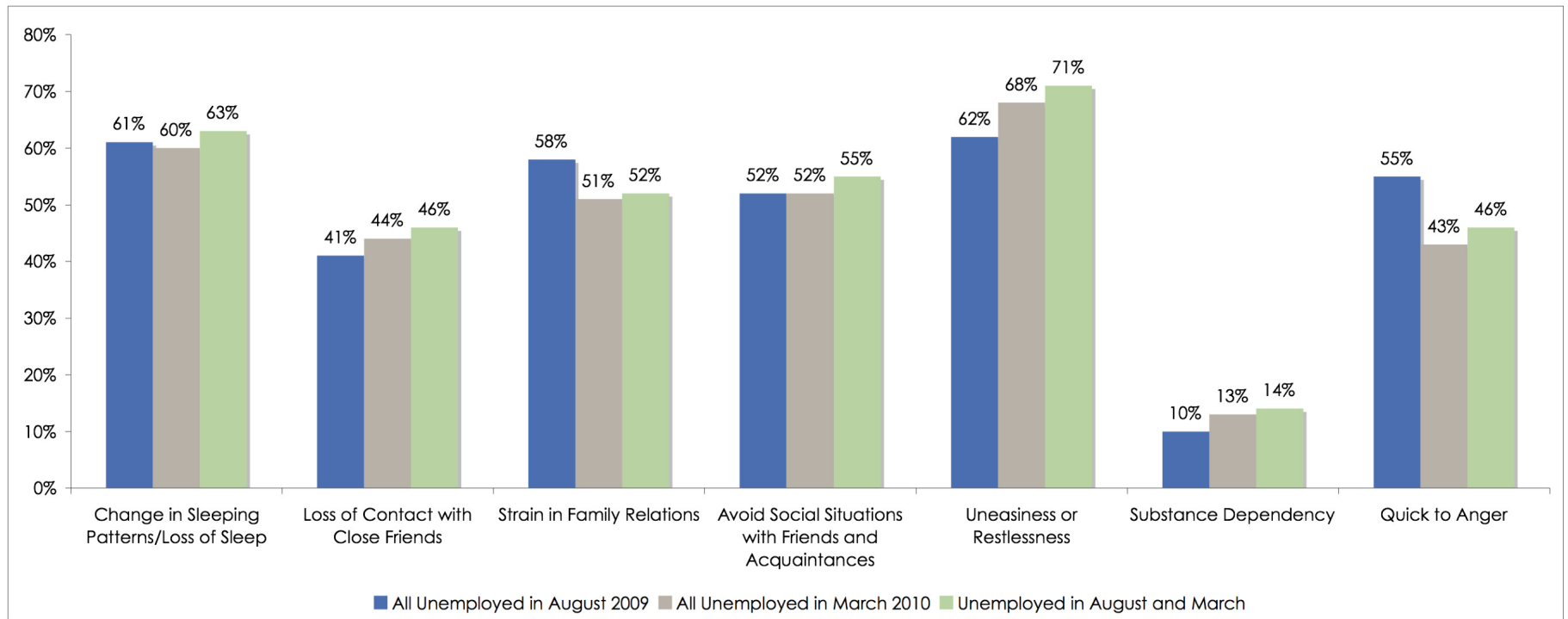
Source: Borie-Holtz, D., Van Horn, C., and Zukin, C., "No End in Sight: The Agony of Prolonged Unemployment," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, May 2010.

The Emotional Costs of Unemployment August 2009 and March 2010



Source: Borie-Holtz, D., Van Horn, C., and Zukin, C., "No End in Sight: The Agony of Prolonged Unemployment," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, May 2010.

Personal Impacts of Unemployment



Source: Borie-Holtz, D., Van Horn, C., and Zukin, C., "No End in Sight: The Agony of Prolonged Unemployment," New Brunswick, NJ: John J. Heldrich Center for Workforce Development, Rutgers University, May 2010.

Policy Changes

- Extend and reform Unemployment Insurance; ensure coordination with reemployment services
- Enhance advance warning laws; more robust rapid response
- Incent lifelong learning opportunities with emphasis on attainment of certificates and degrees
- Bolster resources for the Workforce Development System

Practice Reforms

- Link workforce development with economic development and employer needs
- Build stronger connections with other organizations that serve the unemployed
- Expand on-the-job training and apprentice programs
- Enhance labor market intelligence to help job seekers
- Set and enforce standards for program quality

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