

Jobless aid for thousands wind down

10:38 PM PDT on Monday, July 12, 2010

By JACK KATZANEK
The Press-Enterprise

Unemployment benefits for as many as 30,000 Inland workers have either ended or about to end, leaving them with no money for food, rent or gas unless Congress authorizes an extension.

Recipients had been hoping the federal government would extend the benefits, which had been running for as long as 99 weeks, in June.

The **House of Representatives** in May considered a bill that would extend expiring benefits until the end of the year. Under pressure from fiscal conservatives, they ratified a package but voted to end the extension at the end of November and not December.

But the Senate did not ratify any measure before leaving for its July 4 recess, leaving millions of people across the country with no government unemployment benefits. There was no indication when, or if, the Senate would take up the matter again.

Republicans and some conservative **Democrats** balked at extending the benefits because the measure would increase the federal debt by \$115 billion over the next decade.

About 250,000 people in California are seeing their benefits expire, Patti Roberts, a spokesperson for the state Employment Development Department, said in an e-mail late last week, "and that figure continues to grow each week."

[Story continues below](#)



The unemployed: SCOPE OF THE PROBLEM

Thousands of unemployed people in Inland Southern California could see their unemployment benefits end unless Congress votes for an extension. Here's a glimpse at the jobless issue here and around the state and nation.

About 2.1 million Unemployed Californians	245,800 In Inland area	13.8% Inland unemployment rate	12.4% State unemployment rate	250,000 Estimate on expiring benefits in state	3 million Estimate nationally by the end of July
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SOURCES: EMPLOYMENT DEVELOPMENT DEPARTMENT, NATIONAL ASSOCIATION OF WORKFORCE BOARDS

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No numbers on expired benefits are available for individual counties because each claim would have to be examined, and the statewide estimates are based on preliminary data, Roberts' e-mail said.

However, roughly 2.2 million people were unemployed in California in May, the most recent month for which there are data. About one in nine of them live in Riverside and San Bernardino counties, which had 245,800 people listed as unemployed.

Not all of the people officially classified as unemployed are collecting benefits. But if the one-in-nine ratio holds true it would mean that some 27,000 Inland Southern

Californians are seeing their benefits go away.

Typically, state unemployment benefits run for 26 weeks. Under a series of federal extensions they can run as long as 99 weeks for some people.

California recipients were granted longer extensions because the state has one of the highest jobless rates in the country.

Redlands-based economist John Husing said the toll in the Inland area could be worse than the state's norm because unemployment -- estimated at 13.8 percent in San Bernardino County and 14 percent in Riverside County in May -- has been a problem longer than in other parts of California.

That means more benefits are likely to be at or close to expiration.

Cynthia Roessler, a 34-year-old Riverside woman, lost her job as a collections manager for [Time Warner Cable](#) in a regional restructuring last year. She was on her first extension and was expecting a letter in the mail to explain how to file for a second extension. It never came, and she said her last check arrived in early June.

Roessler said she lives with her boyfriend, who is employed. If he lost his job, "we couldn't make rent, pay for health care, nothing," she said. "It's very frustrating, and it's just going to get worse as time passes."

Roessler said she was upset to learn that she would no longer receive benefits because the Senate did not ratify the package.

"People that are making decisions on this, people who are voting 'no,' aren't the ones who are affected," she said.

Ron Painter, CEO of the National Association of Workforce Boards, a Washington, D.C., group that represents county- and city-run job training and placement agencies, said some 3 million people across the country will lose their benefits by the end of July unless the Senate acts.

"I know there is a very heated debate about the extension, and part of that debate is the question of 'when is enough enough?' " Painter said in an e-mail.

Alvaro Valencia, 24, an unemployed construction worker, was at Riverside County's Workforce Development Center on Monday to monitor job listings and talk to a counselor. Valencia said his benefits expired two weeks ago.

This year has seen small growth spurts in a few job sectors in the Inland area, but there are fewer positions in almost every sector than there were 12 months ago. For Valencia, there are fewer than half the construction jobs that existed in 2006.

"I just keep looking, but it's a huge problem," Valencia said. "I'm looking for anything that's available right now, but there's problems with rent, food -- everything."

Some economists, including Nobel Prize-winner [Paul Krugman](#), have lambasted Congress for not passing a benefits extension. Husing, who did his doctoral studies on [the Great Depression](#), said the last time the country looked to cut spending during a time of high unemployment, [Herbert Hoover](#) was president.

"I don't know what ... our elected representatives are thinking," Husing said. "I don't know what kind of country cuts off unemployment benefits."

Expiring benefits are more than just a problem for the individuals and families because virtually all of the money is spent locally.

Economist Christopher Thornberg, principal of Los Angeles-based Beacon Economics, said the vanishing unemployment checks would create a void in local economies although how big a void is difficult to quantify.

"Unemployment benefits are one of those direct forms of stimulus for an economy," Thornberg said. "You pull that money away and it gets pulled straight away from direct

spending."

Thornberg said that if there are as many as 30,000 expired or soon-to-expire benefits in the Inland area, it could add up to a decline of about 2 percent in taxable sales. It is a noticeable hit on the cities and counties that depend on the tax generated by consumer spending to pay for public services, and it makes it less likely that retailers and service-sector employers will hire people.

"It's not huge, but it's enough to be felt," Thornberg said. "And, it will continue to grow as time goes on. Retailers will feel it, governments will feel it, to say nothing of the families."

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