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BUSH BUDGET SHORTCHANGES UNEMPLOYED WORKERS, AS LONG-TERM UNEMPLOYMENT REMAINS HIGH

No UI Extension in the Administration's FY 2003 Budget

Washington, D.C. – **Rep. Pete Stark**, Ranking Democrat of the **Joint Economic Committee**, released the following statement commenting on the January unemployment report out today:

“The Bureau of Labor Statistics today announced that the unemployment rate in January had improved, which is welcome news, but it still remains unacceptably high at 5.7 percent. Regrettably, this economy is not delivering the jobs it should.

“Today, there are 8.3 million unemployed Americans, and about 4.7 million additional workers who want a job but are not counted among the unemployed. Long-term unemployment remains high, with 1.7 million Americans having been unemployed for more than 26 weeks.

“There are a million people out there who have exhausted all federal and state unemployment benefits and are still out of work. While the President proposes large tax cuts that will permanently help the wealthy, he makes no provisions in his budget for extending UI benefits or restoring assistance to the one million unemployed workers struggling to heat their homes, feed their families, and find new jobs.

“The President’s father was far more compassionate. During the last recession, President George H.W. Bush had a UI program that was much more generous at the start and then extended it *twice* because unemployment remained stubbornly high long after the recession was over.

“Significantly more workers have exhausted their temporary federal benefits than over a comparable period in the last downturn. Today’s unemployment rate is the same as it was when federal unemployment benefits were first extended in March 2002. These statistics underscore the need for extending temporary federal unemployment insurance benefits in the coming months.

“Helping unemployed workers should be part of any plan to get the economy moving again. The proposals of House Democratic Leader Pelosi and Senate Democratic Leader Daschle would provide immediate stimulus to put people back to work as quickly as possible. The President should work with Democrats to put these plans into action immediately.”

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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