

MAY 12, 2003

**SCHAKOWSKY CALLS FOR ASSISTANCE
TO UNEMPLOYED WORKERS SUFFERING
IN THE BUSH RECESSION**

CHICAGO, IL - U.S. Representative Jan Schakowsky (D-IL) today said that the Republican Congressional leadership must not ignore the needs of millions of unemployed workers suffering because of Bush economic policies.

Schakowsky, at a news conference with Senator Dick Durbin (D-IL), U.S. Representatives Danny Davis (D-IL) and Rahm Emanuel (D-IL) and Brenda Russell, Director of the Illinois Department of Employment Security, called for immediate passage of legislation to expand and strengthen temporary federal unemployment assistance to laid off workers, which is set to expire on May 31, 2003.

Included in the House Democrats' jobs and economic growth plan, which Republicans refused to allow to come to the floor for a vote, is a key provision to help unemployed workers. The provision would provide \$27 billion to extend emergency unemployment insurance benefits for nine months. Specifically, the proposal extends unemployment benefits for 26 weeks, increases the level of benefits, and provides temporary aid to states to broaden coverage to low-wage earners and part-time workers.

According to an analysis by Economy.com, this type of assistance is one of the most effective methods to stimulate the economy because funds are provided directly to consumers who will spend them.

The Republican plan did not include a provision to extend unemployment compensation.

Currently, unemployed workers are eligible for 26 weeks of state benefits, and a temporary additional 13 weeks of federal assistance. Two million unemployed workers, including 102,100 in Illinois, who will exhaust their state benefits between June and November 2003, would not receive federal assistance unless Congress extends the program.

Below is Schakowsky's statement:

**STATEMENT OF U.S. REPRESENTATIVE JAN SCHAKOWSKY (D-IL)
MAY 12, 2003
NEWS CONFERENCE IN SUPPORT OF EXTENDING UNEMPLOYMENT BENEFITS**

"I am very pleased to be here today with my colleagues, Congressmen Davis and Emanuel, and our senior Senator, Dick Durbin, a true fighter for Illinois families. I am

also very thankful for Director Russell and Governor Blagojevich and for all their tireless work on behalf of the people of Illinois.

"Two and half years ago, President Bush inherited a strong, vibrant economy, along with record low unemployment and a \$5.6 trillion projected budget surplus. Now fast forward to today. What we find is President Bush, in only two years, has turned a record surplus into a \$2 trillion deficit and, under his economic leadership, 563 Americans are losing their job every working hour."

"We are experiencing the worst economic growth in the past 60 years. Our economy is stagnant and is hemorrhaging jobs, tens of thousands of jobs a month. And since President Bush has come to office, 190,000 workers in Illinois have lost their jobs. The national unemployment rate has risen to 6%, and here in Illinois, it's 6.6%. Corporations are laying off workers by the thousands and 2.7 million private sector jobs have been lost. The number of people unemployed for six months or longer has tripled, almost 2 million people have been without work for 27 weeks or more, and April was the third straight month that the economy has lost jobs.

"House Republicans had a choice last Friday. They could have created jobs and helped the families of laid off workers at the same time. Instead, they decided to help millionaires and billionaires. Talk about your family values."

"Not a single penny was included in their plan to help some of the 2.7 million laid-off workers. Instead, they gave billions to help millionaires write off dividend income. Democrats had a plan to spend billions to extend unemployment insurance by 26 weeks and help 187,000 Illinois workers who lost or are about to lose their benefits. But it had one drawback for the Bush Administration: it didn't help millionaires.

"Economists tell us that the single best way to create jobs, stimulate the economy and help families in this recession is to extend unemployment benefits. According to an Economy.com analysis, extending unemployment benefits is 1900 percent better than a dividend tax cut. You get a \$1.73 worth of stimulus for every dollar of unemployment compensation, compared to a whopping 9 cents of stimulative effect per dollar from a dividend tax cut.

"Extending unemployment compensation puts money in the pockets of families who will go out and spend it - to buy groceries, put gas in their car, or pay the rent. It helps families stay in their communities. Those are real family values."

"Laid-off workers who've lost or are about to lose their unemployment benefits are counting on Congress and the President. They are counting on the same President who let unemployment benefits run out for almost a million workers three days after Christmas. After pressure from all of us here today and our constituents, he finally decided to get it done, but only after families suffered for weeks without any assistance.

"These same families and many like them still can't find a job or pay the bills. They've used up their savings and have nowhere else to turn. And we have just three weeks to help them before the program expires. So Mr. President, either get on board or get out the way because American workers don't want to go down with your sinking ship."