



Magnitude of Job Loss Supports Unemployment Insurance Reform

KEY TAKEAWAY:

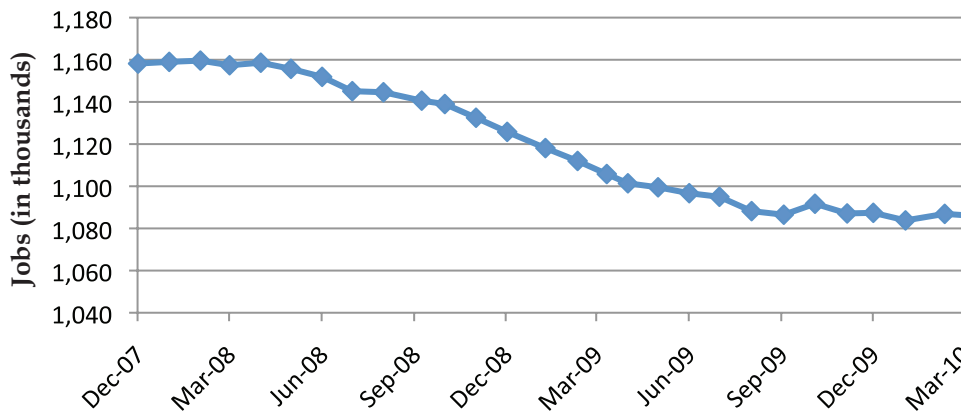
Since the start of the 2007 Recession, Mississippi has lost over 72,000 jobs. The magnitude of the job loss has been much more severe than in any other recession over the last 30 years.

Given the job loss experienced by the state of Mississippi, updating the state's Unemployment Insurance system represents sound policy for Mississippi's working families and the overall economy.

Job Loss:

Over 72,200 jobs have been lost in Mississippi since the start of the recession. The state's manufacturing sector accounts for over 1/3 of the total jobs lost. In total, the number of manufacturing jobs has declined by 27,500. Construction jobs make up a smaller share of the state's jobs; however, the industry also experienced large job losses. Construction jobs have decreased by 13,400 from December 2007 to March 2010.

Chart 1: Mississippi Job Loss Significant Since Start of the Recession



Source: U.S. Department of Labor Bureau of Labor Statistics, Seasonally Adjusted

Chart 1 illustrates Mississippi's overall job loss trend from December 2007 through March 2010. Compared to previous recessions, the job loss during the current recession has been much deeper and prolonged. The flattening of the trend suggests that a recovery has not yet started in Mississippi.



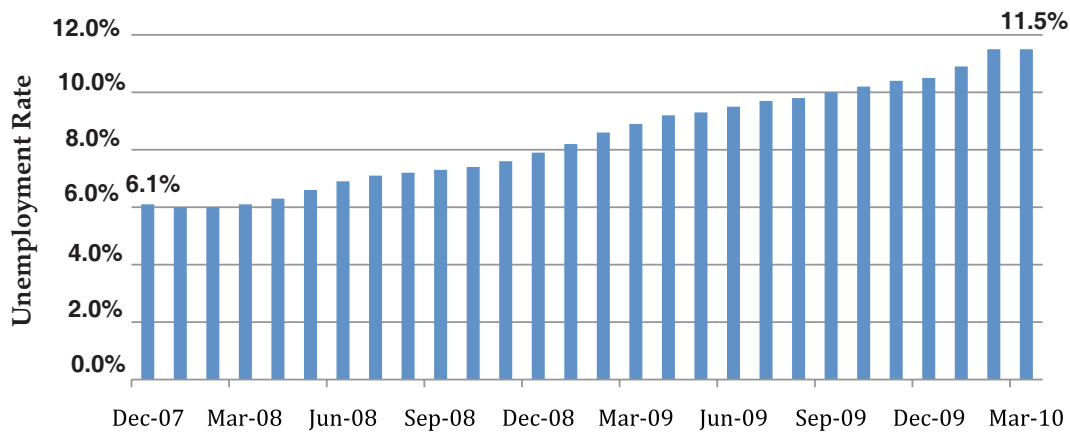
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Unemployment:

As a result of losing 72,200 jobs since the start of the recession, Mississippi's, unemployment rate has continuously risen. In March, Mississippi's seasonally adjusted unemployment rate reached 11.5%, the highest rate since the recession began. Chart 2 illustrates the consistent increase in unemployment rates for the state of Mississippi.

Nearly every county in the state has fewer people employed and more people who were unemployed than in December of 2007 – when the most recent recession began. Appendix 1 provides employment and unemployment numbers by county since the start of the 2007 Recession

Chart 2: Mississippi Unemployment Rate Reached Highest Point in Recession in February



Source: U.S. Department of Labor Bureau of Labor Statistics, Seasonally Adjusted

Recommendations:

With fewer jobs available, Mississippi's families and communities experiencing job loss face significant hurdles. Currently, thousands of Mississippians who have earned enough money – money on which taxes have been paid – to qualify for Unemployment Insurance do not qualify because Mississippi does not use recent wages in determining eligibility.

By allowing recent wages to be used in determining eligibility, also known as the Alternative Base Period, 6,600 jobless workers in Mississippi could receive temporary unemployment insurance compensation.

Moving to the Alternative Base Period would also bring \$18.7 million into the state through federal incentive payments. Once the federal money is used assisting Mississippi's jobless workers, the annual cost – assuming current economic conditions – would be \$14.5 million. The costs would be covered through Unemployment Insurance Taxes paid by employers.

For employers that do not have former employees filing eligible claims, the additional unemployment insurance taxes to cover the policy change would be very small. Employers that have laid off workers that file eligible claims will experience higher taxes as that is how the system works.



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The table below presents data for each county on the number of employed persons, unemployed persons, and the unemployment rate at the start of the recession in December of 2007 and most recently in December 2009. For example, in Adams County, 11,830 persons were employed as of December 2009, a decrease of 720 since the start of the recession when the number of employed persons was 12,550

	December 2007			December 2009		
	Civilian Labor Force Employed	Unemployed	Unemployment Rate	Civilian Labor Force Employed	Unemployed	Unemployment Rate
Adams	12,550	750	5.6%	11,830	1,350	10.3%
Alcorn	14,330	1,050	6.8%	13,080	1,820	12.2%
Amite	4,840	350	6.7%	4,530	610	11.8%
Attala	6,700	540	7.5%	5,880	970	14.1%
Benton	2,640	320	10.7%	2,340	410	14.8%
Bolivar	14,380	1,310	8.4%	13,150	1,800	12.1%
Calhoun	5,530	520	8.5%	5,150	620	10.7%
Carroll	4,690	310	6.1%	4,220	600	12.4%
Chickasaw	6,560	700	9.7%	5,980	970	14.0%
Choctaw	3,210	260	7.4%	2,970	450	13.3%
Claiborne	3,150	370	10.6%	3,200	640	16.7%
Clarke	6,630	560	7.8%	6,110	900	12.8%
Clay	6,280	1,050	14.3%	6,060	1,450	19.3%
Coahoma	9,490	980	9.4%	8,650	1,460	14.5%
Copiah	11,310	850	7.0%	10,910	1,300	10.6%
Covington	8,340	490	5.5%	7,900	850	9.7%
DeSoto	74,290	3,140	4.1%	70,690	5,730	7.5%
Forrest	35,320	1,830	4.9%	34,310	3,240	8.6%
Franklin	2,910	200	6.5%	2,610	380	12.7%
George	8,610	620	6.7%	8,560	1,050	10.9%
Greene	4,610	400	7.9%	4,250	610	12.5%
Grenada	8,720	730	7.7%	7,560	1,170	13.4%
Hancock	17,410	950	5.2%	16,880	1,620	8.8%
Harrison	82,130	4,530	5.2%	79,740	7,510	8.6%
Hinds	111,710	6,330	5.4%	107,030	10,680	9.1%
Holmes	6,460	810	11.1%	5,560	1,430	20.5%
Humphreys	4,070	460	10.1%	3,590	610	14.5%
Issaquena	650	70	9.3%	590	100	14.3%
Itawamba	9,400	660	6.6%	8,440	1,220	12.6%
Jackson	57,360	3,320	5.5%	56,100	5,910	9.5%
Jasper	6,990	490	6.6%	6,650	890	11.8%
Jefferson	2,410	350	12.6%	2,340	500	17.5%
Jefferson Davis	5,380	360	6.2%	4,300	620	12.6%

Source: Mississippi Department of Employment Security Annual Labor Force Report (2007 and 2009)



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	December 2007				December 2009		
	Civilian Labor Force		Unemployment Rate		Civilian Labor Force		Unemployment Rate
Employed	Unemployed	Employed		Unemployed			
Jones	29,420	1,490	4.8%	27,890	2,560	8.4%	
Kemper	3,830	290	7.1%	3,490	490	12.4%	
Lafayette	21,200	1,030	4.6%	20,980	1,940	8.4%	
Lamar	22,920	1,010	4.2%	22,590	1,830	7.5%	
Lauderdale	31,480	2,050	6.1%	29,490	3,500	10.6%	
Lawrence	4,900	360	6.9%	4,620	700	13.1%	
Leake	7,750	500	6.1%	7,720	890	10.3%	
Lee	35,640	2,280	6.0%	32,130	3,990	11.0%	
Leflore	12,770	1,140	8.2%	11,450	1,840	13.9%	
Lincoln	13,410	880	6.2%	12,350	1,560	11.2%	
Lowndes	23,760	2,020	7.8%	22,490	2,980	11.7%	
Madison	43,380	2,110	4.6%	42,750	3,440	7.4%	
Marion	9,790	680	6.5%	9,720	1,250	11.4%	
Marshall	14,360	1,240	8.0%	13,340	1,760	11.6%	
Monroe	14,740	1,480	9.1%	13,360	2,200	14.1%	
Montgomery	4,080	420	9.2%	3,870	710	15.5%	
Neshoba	12,950	720	5.3%	11,480	1,270	9.9%	
Newton	8,990	560	5.9%	8,220	930	10.2%	
Noxubee	3,460	480	12.2%	2,720	720	21.0%	
Oktibbeha	19,490	1,230	5.9%	19,160	2,020	9.5%	
Panola	13,800	1,240	8.3%	12,800	2,000	13.5%	
Pearl River	20,380	1,330	6.1%	19,350	2,220	10.3%	
Perry	4,800	410	7.9%	4,600	600	11.5%	
Pike	14,440	1,000	6.5%	13,660	1,800	11.6%	
Pontotoc	12,440	940	7.0%	11,160	1,490	11.8%	
Prentiss	10,320	760	6.9%	9,330	1,440	13.4%	
Quitman	3,480	330	8.7%	2,990	460	13.4%	
Rankin	70,320	2,890	3.9%	69,030	5,020	6.8%	
Scott	12,850	590	4.4%	12,700	1,060	7.7%	
Sharkey	2,350	260	9.9%	2,140	330	13.5%	
Simpson	10,960	580	5.0%	10,650	1,140	9.6%	
Smith	6,440	410	5.9%	5,620	740	11.7%	
Stone	7,300	380	5.0%	7,120	660	8.5%	
Sunflower	9,820	1,190	10.8%	9,020	1,600	15.0%	
Tallahatchie	5,640	480	7.9%	5,160	760	12.8%	
Tate	11,200	750	6.3%	10,390	1,310	11.2%	

Source: Mississippi Department of Employment Security Annual Labor Force Report (2007 and 2009)



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	December 2007				December 2009		
	Civilian Labor Force		Unemployment Rate		Civilian Labor Force		Unemployment Rate
	Employed	Unemployed			Employed	Unemployed	
Tippah	8,510	670	7.3%		10,390	1,310	11.2%
Tishomingo	7,410	620	7.7%		6,770	1,260	15.6%
Tunica	4,070	450	9.9%		6,460	950	12.9%
Union	11,160	730	6.2%		3,740	730	16.3%
Walthall	5,540	350	6.0%		10,060	1,270	11.2%
Warren	20,930	1,300	5.8%		5,140	750	12.7%
Washington	20,550	1,940	8.6%		19,880	2,400	10.8%
Wayne	8,020	650	7.5%		18,760	3,380	15.3%
Webster	3,210	280	8.0%		7,470	1,070	12.5%
Wilkinson	3,370	280	7.7%		2,960	550	15.7%
Winston	3,370	280	7.7%		3,510	480	12.0%
Winston	7,480	500	6.3%		6,310	1,360	17.7%
Yalobusha	5,010	390	7.2%		4,460	770	14.7%
Yazoo	9,350	770	7.6%		9,050	1,260	12.2%

Source: Mississippi Department of Employment Security Annual Labor Force Report (2007 and 2009)