



Magnitude of Job Loss Supports Unemployment Insurance Reform

KEY TAKEAWAY:

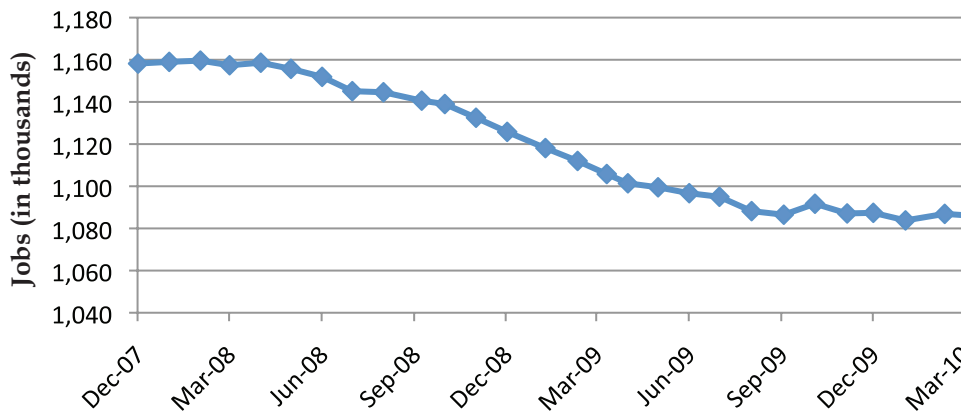
Since the start of the 2007 Recession, Mississippi has lost over 72,000 jobs. The magnitude of the job loss has been much more severe than in any other recession over the last 30 years.

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.



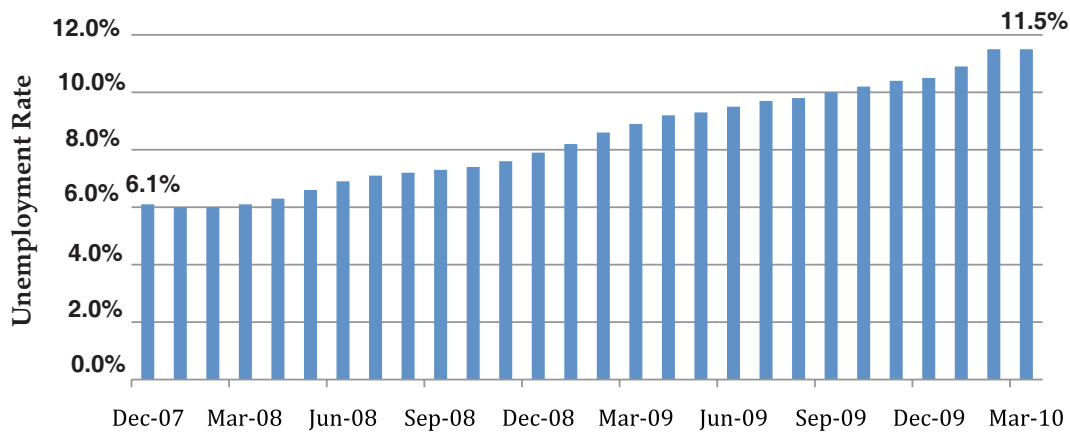
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Unemployment:

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, 12,510 persons were employed as of December 2009, a decrease of 140 since the start of the recession when the number of employed persons was 12,650.

	December 2007			December 2009		
	Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate	Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate
Adams	12650	760	5.6%	12510	1370	9.9%
Alcorn	14440	1060	6.8%	13540	1850	12.0%
Amite	4880	350	6.7%	4840	600	11.0%
Attala	6750	550	7.5%	6390	970	13.2%
Benton	2660	320	10.7%	2500	410	14.1%
Bolivar	14490	1320	8.4%	13370	1810	11.9%
Calhoun	5570	520	8.5%	5100	630	11.0%
Carroll	4730	310	6.1%	4400	600	12.1%
Chickasaw	6610	710	9.7%	6050	990	14.0%
Choctaw	3230	260	7.4%	2970	450	13.1%
Claiborne	3180	380	10.6%	2970	650	17.9%
Clarke	6680	560	7.8%	6570	900	12.0%
Clay	6330	1060	14.3%	6350	1490	19.0%
Coahoma	9560	960	9.4%	8610	1470	14.6%
Copiah	11390	860	7.0%	10670	1270	10.7%
Covington	8400	490	5.5%	8130	830	9.2%
DeSoto	74850	3170	4.1%	67570	5630	7.7%
Forrest	35580	1850	4.9%	32470	3080	8.7%
Franklin	2930	200	6.5%	2910	380	11.5%
George	8680	620	6.7%	8010	1030	11.4%
Greene	4640	400	7.9%	4430	590	11.7%
Grenada	8790	740	7.7%	8000	1180	12.8%
Hancock	17540	960	5.2%	16070	1570	8.9%
Harrison	82740	4560	5.2%	75780	7290	8.8%
Hinds	112540	6380	5.4%	105440	10450	9.0%
Holmes	6510	820	11.1%	6230	1460	19.0%
Humphreys	4100	460	10.1%	4070	620	13.2%
Issaquena	660	70	9.4%	600	100	14.1%
Itawamba	9470	670	6.6%	9170	1220	11.7%
Jackson	57790	3350	5.5%	53390	5840	9.9%
Jasper	7040	500	6.6%	6470	890	12.1%
Jefferson	2430	350	12.6%	2230	490	18.0%
Jefferson Davis	5420	360	6.2%	4520	630	12.2%

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



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	December 2007				December 2009		
	Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate		Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate
Jones	29640	1500	4.8%		27230	2490	8.4%
Kemper	3860	290	7.1%		3790	490	11.4%
Lafayette	21360	1040	4.6%		20590	1820	8.1%
Lamar	23090	1020	4.2%		21070	1840	8.0%
Lauderdale	31720	2070	6.1%		31200	3450	10.0%
Lawrence	4940	370	6.9%		4860	700	12.6%
Leake	7810	510	6.1%		7440	870	10.4%
Lee	35910	2300	6.0%		34780	3990	10.3%
Leflore	12860	1150	8.2%		11960	1840	13.3%
Lincoln	13510	890	6.2%		12970	1550	10.7%
Lowndes	23940	2040	7.8%		22850	3000	11.6%
Madison	43710	2130	4.6%		40950	3360	7.6%
Marion	9860	690	6.5%		9780	1240	11.2%
Marshall	14470	1250	8.0%		13060	1790	12.1%
Monroe	14850	1490	9.1%		13450	2240	14.3%
Montgomery	4110	420	9.2%		4100	740	15.3%
Neshoba	13050	730	5.3%		11570	1250	9.7%
Newton	9060	570	5.9%		8590	910	9.6%
Noxubee	3490	480	12.2%		3210	740	18.7%
Oktibbeha	19640	1240	5.9%		18930	1970	9.4%
Panola	13900	1250	8.3%		13190	2030	13.3%
Pearl River	20530	1340	6.1%		19330	2150	10.0%
Perry	4830	410	7.9%		4500	540	10.7%
Pike	14550	1000	6.5%		14420	1770	11.0%
Pontotoc	12540	950	7.0%		12150	1510	11.0%
Prentiss	10400	770	6.9%		10020	1440	12.6%
Quitman	3510	330	8.7%		3210	470	12.8%
Rankin	70840	2910	3.9%		66370	4860	6.8%
Scott	12950	600	4.4%		13150	1040	7.3%
Sharkey	2370	260	9.9%		2140	340	13.6%
Simpson	11040	580	5.0%		10350	1110	9.7%
Smith	6480	410	5.9%		5950	750	11.2%
Stone	7350	380	5.0%		6730	650	8.8%
Sunflower	9890	1200	10.8%		8830	1600	15.3%
Tallahatchie	5680	490	7.9%		5510	780	12.4%
Tate	11290	750	6.3%		10190	1320	11.4%

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



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	December 2007				December 2009		
	Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate		Civilian Labor Force Employed	Civilian Labor Force Unemployed	Unemployment Rate
Tippah	8570	670	7.3%		7800	1290	14.1%
Tishomingo	7470	630	7.7%		7350	970	11.6%
Tunica	4100	450	9.9%		3710	760	16.9%
Union	11240	740	6.2%		11380	1270	10.1%
Walthall	5590	360	6.0%		5710	750	11.6%
Warren	21090	1310	5.8%		20190	2400	10.6%
Washington	20700	1960	8.6%		20610	3310	13.8%
Wayne	8080	660	7.5%		7550	1080	12.5%
Webster	3230	280	8.0%		3220	560	14.9%
Wilkinson	3400	290	7.7%		3430	480	12.3%
Winston	7540	500	6.3%		7180	1400	16.3%
Yalobusha	5050	390	7.2%		4750	780	14.1%
Yazoo	9420	780	7.6%		8740	1230	12.4%

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