

CLAIMS THAT UI DISINCENTIVIZES WORK ARE FALSE AND UNDERMINE SOUND ECONOMIC POLICY RESPONSES TO THE RECESSION

Letting enhanced unemployment benefits expire is slashing incomes for tens of millions of families during this unprecedented economic and public health crisis. Unemployment Insurance is keeping the economy afloat and saving lives, and its critics' main argument simply isn't supported by data, workers' experience, or public opinion.

Claims that enhanced unemployment benefits disincentivize work just aren't true.

- ◆ There is no evidence that the enhanced unemployment benefits slow hiring.
- ◆ People receiving the \$600 boost returned to work at similar rates to workers receiving less generous benefits, including many whose income was higher with UI, reaffirming that enhanced UI is not having the disincentivizing effect critics claim.
- ◆ In fact, evidence shows UI recipients more intensely search for work, are more likely to stay attached to the labor market, and have better job search outcomes.
- ◆ Conservative claims are observably false: We added five million jobs in June and five million people went back to work.
- ◆ Conservatives want to use tired, racist tropes to insinuate workers on UI are lazy, and we can't let them get away with it, particularly when we know Black workers already are more likely to have UI applications rejected, are concentrated in states with stingier UI, and receive lower benefits than their white counterparts.
- ◆ Further, employers are cutting wages in this recession, which flies in the face of claims that they can't get workers to return. Ultimately, conservatives undermining UI are colluding with employers who want to get away with low pay and refusal to protect workers and act in the interest of public health.

Responsible employers will have no trouble bringing people back to work. Everyone wants stable employment, health insurance, and benefits, but there are actual barriers to returning to work.

- ◆ Unemployment remains devastatingly high: there are five job seekers for every open job.
- ◆ Workers can't find childcare, and cannot return to work without it, especially while schools and daycare centers are closed or safety isn't assured. Workers need permanent paid leave and earned sick days, increased SNAP and food assistance, cash assistance, rent moratoriums and mortgage delays, emergency standards for worker health and safety and premium pay for workers risking their lives.
- ◆ We are still in the middle of a raging pandemic. Daily cases are four times what they were the day the CARES Act passed, meanwhile employees have little to no assurance they will be safe in the workplace.

Voters see the myth that UI disincentivizes work for the lie that it is. They want to extend UI benefits.

- ◆ Voters strongly support extending enhanced UI and would prefer to vote for candidates who support it.
- ◆ Among Republicans, Democrats, and Independents, 40 percent of voters surveyed said the government should increase the amount of unemployment benefits to workers who have lost their jobs in the coronavirus pandemic.
- ◆ Voters overwhelmingly support policies to automatically increase UI when there is an increase in unemployment, with 80 percent in support and only 19 percent opposing.
- ◆ Even majorities of Republicans and Independents, at 53 percent and 54 percent respectively, want to extend the \$600 boost past the end of July.
- ◆ Voters reject the conservative argument that UI disincentivizes work.
- ◆ Instead, 65 percent of survey respondents agreed with the statement that expanded benefits “help the economy by boosting consumer spending and keeping businesses and communities afloat.”
- ◆ Additionally, a survey of small business owners shows they, too, want to see enhanced UI extended. Entrepreneurs know that slashing incomes for tens of millions of families will hurt their businesses by further depressing demand, and say that childcare and public health are bigger challenges to employees returning to work.