Unemployed California workers face termination of benefits

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Extended unemployment benefits were terminated over a week ago for some 240,000 unemployed workers in eight US states—California, Colorado, Connecticut, Florida, Illinois, North Carolina, Pennsylvania and Texas. California, the country's most populous state, was the worst hit, with an estimated 93,000 people cut off.

Sayori Baldwin, the current deputy director of the Riverside County Department of Public Social Services (DPSS), spoke with the *World Socialist Web Site* about the current situation facing the jobless.

"Fifty percent of individuals who apply for our benefits are applying for the first time," Baldwin said. "Our population has changed in terms of who we service. We have people who've worked all their lives and have been laid off from their job and they can't find another job and so they look to us for temporary assistance."

Baldwin, who has spent 22 years working in social services, said that as the ongoing jobs crisis has intensified her department has gone from servicing mainly single women with children to two-parent households and single professionals as well.

Baldwin explained how workers whose unemployment benefits have just been terminated in many cases do not qualify for other programs: "What happens when a person's unemployment benefit expires and let's say, for example, they're entitled to $300 a week? Well, they no longer have any income and what happens is a person will come in to apply for CalWORKs benefits and their unemployment benefits will put them over our income threshold, because this service is based on a person's income level and also their property limit and they must be below the poverty level."

CalWORKs is a so-called "welfare-to-work" program that provides limited relief to the poorest individuals and their families on the condition that certain "work requirements" are fulfilled.

Almost as many people had their unemployment benefits terminated in California as were added to employment rolls in the entire country last month—115,000 according to the Bureau of Labor Statistics. While a jobs crisis of historic proportions worsens in the state and throughout the country, the authorities are cutting hundreds of thousands of people off from the most minimal assistance.

The benefit cutoff is nominally tied to the official unemployment rate in the state. In accordance with an agreement reached between President Obama and Republicans earlier this year, unemployed workers will quality for extended benefits only if the state's unemployment rate is at least 10 percent higher than the corresponding period in one of the previous three years.

California does not meet this criterion. The number of unemployed in California doubled from a low of 1.05 million at the start of the current economic implosion in December 2007 to 2.2 million a year later, but it has remained virtually unchanged since then. Currently, 1.1 million people receive unemployment compensation. Half of that number have now been jobless for more than six months.

California's official unemployment rate actually declined from 11 percent in March to 10.9 percent in April because many workers have simply given up looking for work, according to figures released from the Bureau of Labor Statistics.

With an end to extended benefits, unemployed workers will receive 20 weeks less in benefits. Meanwhile, employers in the state of California eliminated 4,200 jobs last month, ending an eight-month trend of job growth.

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Last week, as tens of thousands of workers were having their only source of income terminated, California Governor Jerry Brown, a Democrat, announced plans to implement new austerity measures, including a reduction to four-day work weeks for certain government workers as well as further cutbacks in social programs. Such measures will only further depress the economy and increase unemployment.

On the subject of budget cuts, Baldwin explained, "Right now our staffing levels are just now being stabilized and we were impacted in the past but the major impact had to with the large spike in caseload growth. Because we'd seen such a large percentage increase over time we couldn't keep up with staffing."

Baldwin added, "I think the services that we offer are extremely important, particularly during times when the economy is bad. And I say that because to look at individuals who have worked for long periods of time and now their unemployment benefits are being exhausted, it takes a lot for them to walk through our doors and ask for assistance."

The youth are especially hard hit by the jobs crisis. In Sacramento, the California state capital, there is a 33 percent unemployment rate among eighteen- and nineteen-year-olds, nearly triple the regionwide overall unemployment rate of 12 percent.

Conditions have developed in some parts of the state that are reminiscent of the Great Depression. South of Sacramento, along the Central Valley, official unemployment rates are more than double the national average. Merced County has an unemployment rate of 20.2 percent. Colusa County, north of Sacramento, and Imperial County, along the Mexican border, both have unemployment rates of 26.2 percent. The true unemployment rates in these areas are likely far higher.

The reality is that the economy is improving only for the most affluent. The top ten percent of Californians currently have incomes 12 times higher than the bottom 10 percent, a historical record for the state and significantly higher than the national ratio.

Candy, an unemployed worker from Riverside County, east of Los Angeles, explained her situation to the *World Socialist Web Site*. "I haven't worked since 2007. I had a job injury and I went on medical and now I'm trying to get back in the workforce."

When asked what the current job market is like she replied, "Scary. Because a lot of places that used to hire are not hiring older people and I'm an older person." So far, she has received "hardly any response."

"I couldn't collect unemployment because when you're on MediCal you don't qualify," Candy said. "The only way I can collect unemployment is if I go back to work and then I get laid off. With MediCal, I was getting a portion of my regular income, like three quarters, which was good for a while until it ran out."

When asked how she was managing, she said, "I'm not managing. It's hard. Financially, I'm not managing at all. I got help to pay for my utilities, my gas and my electric, but I try to keep that conservative. Sometimes, I think my medical issues get in the way."

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