

US jobless claims surge

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On Thursday, the US Department of Labor jobless claims report revealed that another 742,000 people filed first time unemployment claims, an increase of over 30,000 from the previous week and the highest number in a month. The increase in filings upends claims of an imminent economic “recovery” and underscores the urgent need for indefinite financial relief for jobless workers, small business owners and their families.

The figures are based on the week ending November 14, just before several states such as Michigan, California, Oregon, Illinois and New Mexico began implementing stay-at-home or shelter-in-place orders to lessen the out-of-control spread of COVID-19, which has risen dramatically in the last two weeks in the US from roughly 90,000 daily cases to over 160,000 cases, according to data compiled by Worldometers. Over 255,000 have died in the US due to COVID-19 as of this writing.

The haphazard, chaotic and criminally delayed lockdown measures taken by some governors and mayors, which do not include the shutting down of “superspreader” factories and schools in response to overwhelmed hospital systems, have not been accompanied by an infusion of stimulus, leaving locked down workers and small business owners to fend for themselves.

Thursday’s report showed that another 233,000 workers were added to the Pandemic Emergency Unemployment Compensation (PEUC) program, bringing the total to 4.38 million, while claims for the Pandemic Unemployment Assistance (PUA) program increased by 23,863 last week, raising the total to 320,234. The 233,000 added last week just to the PEUC program is about 8,000 more than total claims in a typical week prior to the pandemic.

Between state unemployment and federal claims, the DoL (Department of Labor) has recorded 35 straight weeks of over 1 million jobless claims, an unprecedented number that has no historical equal since tracking began. In addition to gig workers such as DoorDash, Uber and Lyft drivers, “independent contractors” and construction workers have seen employment opportunities evaporate as

entire industries went into lockdown in March and never recovered.

An analysis of employment data by the Associated General Contractors of America found that only eight states, plus Washington D.C., had returned to or exceeded pre-coronavirus employment levels. The eight mostly small states that saw mild recovery in construction were South Dakota, Utah, Wyoming, Virginia, Kentucky, Missouri, Idaho and Maine. Only Virginia added more than 4,000 jobs while Idaho and Maine combined accounted for only 300.

Meanwhile, California, with a significantly larger workforce, has seen a decline of over 6 percent in jobs, leading to 54,900 fewer workers employed from February through September compared to last year. This is followed by Texas, which reported 51,900 fewer construction jobs available, a 6.8 percent year-to-year decline, and New York reporting an 11 percent decrease.

Roughly 20.3 million people are still receiving some form of unemployment either through the state or federal pandemic unemployment programs that were created as part of the CARES Act at the end of March. Both of the programs are set to expire on December 26, leaving an estimated 12 million workers with nothing.

The coming “benefits cliff” is exacerbating mental health stressors for millions of people. “I’m in panic mode now, and depression is starting to set in because I don’t know how we’re going to pay the oil bill,” Laurie Jones, a laid-off worker, told the *Maine Beacon*. “When I lose unemployment, I don’t know how we’re going to keep the lights on.”

The report revealed that continuing claims, that is people who had previously filed and were receiving funds, declined by 429,000 to roughly 6.4 million, the lowest since the pandemic began. This isn’t to say that 429,000 people got a job; instead, for many it is likely their unemployment eligibility has run out and they have simply dropped off the rolls.

For those who are still receiving benefits, the meager funds provided are not enough to keep pace with daily

expenses. "I'm living on \$216 a week," said Jones. "It sucks."

Data from the Federal Reserve shows that 10 million fewer people are employed compared to the beginning of this year, a drop from a February high of 153 million to 142 million as of October 2020. The evaporation of millions of jobs and the deaths of thousands of people hasn't been enough to satiate the voracious appetites of Wall Street investors and large corporations as layoffs continue to be announced.

On Wednesday, New York's Metropolitan Transportation Authority CEO Pat Foye released a "doomsday" budget that aims to slash service by 40 to 50 percent, increase fares and tolls, and eliminate 9,367 jobs, pending federal intervention. The changes are slated to go into effect as early as May and would cut the MTA workforce by about 13 percent.

"Firing 9,000 workers and slashing 40 percent of subway and bus service would cost millions of New Yorkers several hours of commuting time each week and devastate the city for decades to come," said Betsy Plum, executive director of the Riders Alliance.

The MTA is seeking \$12 billion in funding this year, while the American Public Transportation Association, a lobbying and advocacy group dominated by the transit agencies themselves, estimates that without \$32 billion in emergency funding, six in 10 public transit systems in the US will see significant service reductions and layoffs in the coming months.

In Michigan, where roughly 952,000 people are currently collecting some form of unemployment compensation, an estimated 250,000 people could be laid off in the hospitality sector in the coming months, Michigan Restaurant and Lodging Association president and CEO Justin Winslow told MLive.

In Lexington, Kentucky document-management company Lexmark, which employs 2,000 workers in the US, including 1,400 in Lexington alone, announced nationwide layoffs would begin on Wednesday. Despite workers accepting a pay freeze in March to stave off the unspecified number of layoffs, the company wrote it was proceeding with "taking this difficult step to ensure that Lexmark is positioned for long-term success."

Even Major League Baseball champions the Los Angeles Dodgers, who signed a 25-year \$8.35 billion television deal with SportsNet LA in January 2013 to help catapult the organization to a Forbes valuation of \$3.4 billion this past year, announced layoffs on Thursday. Refusing to state how many workers would now be

jobless, the organization cited "widespread economic devastation caused by the coronavirus," in justifying the layoffs.

In addition to the Dodgers, the Oakland A's announced in October that the club would lay off 20 percent of employees. The San Francisco Giants and Boston Red Sox also announced they would be laying off 10 percent of their workforce, while the Chicago Cubs eliminated 60 jobs in their business department this past September. Earlier reports also indicate that the Houston Astros and Baltimore Orioles have implemented an unspecified number of layoffs.

Despite ongoing layoffs and record-setting unemployment claims, which have led to an additional 8 million people falling into poverty since May according to researchers at Columbia University, "negotiations" on another relief bill to extend unemployment benefits and eviction protections continue to prove fruitless, as intended.

Nearly four months after the \$600-a-week federal unemployment enhancement expired, with over 54 million in the US facing food insecurity, Senate Minority Leader Chuck Schumer announced on Thursday that House Speaker Nancy Pelosi and Senate Majority Leader Mitch McConnell have "agreed to sit down and the staffs are going to sit down today or tomorrow to try to begin to see if we can get a real good Covid relief bill."

When it comes to interfering with Wall Street profits, President-elect Joe Biden revealed again that his and the Democratic Party's commitment to science was merely a "hypothetical." During a Thursday question-and-answer session with reporters, Biden dismissed any talk of a nationwide lockdown, despite nearly 2,000 people succumbing to the virus on November 18, with cases rising in all 50 states.

"It was a hypothetical question," Biden angrily said in response to a reporter mentioning the concept of a nationwide lockdown. "I am not going to shut down the country, period."

Biden added, "I'll say it again: No national shutdown. ... there's no circumstance which I can see that would require a total national shutdown. I think that would be counterproductive."



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