

Long-term unemployed struggle as economy improves, study finds

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While the unemployment rate for people out of work for six months or less has returned to prerecession levels, the levels of unemployment for workers who remain jobless for more than six months is among the most persistent, negative effects of the Great Recession, according to a new national study at Rutgers. In fact, one in five workers laid off from a job during the last five years are still unemployed and looking for work, researchers from the John J. Heldrich Center for Workforce Development found.

Among the key findings of "Left Behind: The Long-term Unemployed Struggle in an Improving Economy":

- Approximately half of the laid-off workers who found work were paid less in their new positions; one in four say their new job was only temporary.
- Only one in five of the long-term [unemployed](#) received help from a government agency when looking for a job; only 22 percent enrolled in a training program to develop skills for a new job; and 60 percent received no government assistance beyond unemployment benefits.
- Nearly two-thirds of Americans support increasing funds for long-term education and training programs, and greater spending on roads and highways in order to assist unemployed workers.

As of last August, 3 million Americans, nearly one in three unemployed workers, have been unemployed for more than six months and more than 2 million Americans have been out of work for more than a year, the researchers said. While the percentage of the long-term unemployed (workers who have been unemployed for more than six months) has declined from 46 percent in 2010, it is still above the 26 percent level experienced in the worst previous recession in 1983.

For the survey, the Heldrich Center interviewed a representative sample of 1,153 Americans, including 394 unemployed workers looking for work, 389 Americans who have been unemployed for more than six months or who were unemployed for a period of more than six months at some point in the last five years, and 463 individuals who currently have jobs. This research provides a detailed record of the enduring effects of the Great Recession on the unemployed and long-term unemployed five years after the economy started growing again in June 2009.

The survey also found that:

- More than seven in 10 long-term unemployed say they have less in savings and income than they did five years ago.

- More than eight in 10 of the long-term unemployed rate their personal financial situation negatively as only fair or poor.
- More than six in 10 unemployed and long-term unemployed say they experienced stress in family relationships and close friendships during their time without a job.
- Fifty-five percent of the long-term unemployed say they will need to retire later than planned because of the recession, while 5 percent say the weak economy forced them into early retirement.
- Nearly half of the long-term unemployed say it will take three to 10 years for their families to recover financially. Another one in five say it will take longer than that or that they will never recover.

"While the worst effects of the Great Recession are over for most Americans, the brutal realities of diminished living standards endure for the three million American workers who remain jobless years after they were laid off," said Professor and Heldrich Center Director Carl Van Horn, who co-authored the study with Professor Cliff Zukin of Rutgers' Bloustein School of Planning and Public Policy. "These long-term unemployed workers have been left behind to fend for themselves as they struggle to pull their lives back together."

More information: "Left Behind: The Long-term Unemployed Struggle in an Improving Economy" www.heldrich.rutgers.edu/produce-improving-economy

Provided by Rutgers University

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