January 6, 2014

Dear Senator:

On behalf of our more than 37 million members and all older workers, AARP urges you to renew Emergency Unemployment Compensation (EUC) for 2014.

Over the last 5 years, workers age 55 and older have experienced record levels of unemployment in this recent recession. Moreover, once older workers lose their jobs, they experience far longer spells of unemployment than younger workers. On average, workers age 55 and older were unemployed for about 51 weeks in November 2013, 3 months longer than for their younger counterparts, who were unemployed for an average of 36 weeks last month. Half of older jobseekers were considered long-term unemployed (more than 6 months) in November.

Age discrimination in hiring is a significant part of the reason why older jobseekers have a difficult time finding a new job. About one-third (34%) of older unemployed workers report that either they personally faced age discrimination in the last four years, or know someone who has. Moreover, recent research shows that some employers discriminate against the unemployed, favoring those with less relevant experience but shorter spells of unemployment over those with better résumés but who have been out of work for more than six months. Because older workers are overrepresented among the long-term unemployed, they are more adversely affected by this type of discrimination.

The economy is showing some signs of improvement, however the fact remains that the job market remains weak for the long-term unemployed. There are still more than three unemployed workers for every job opening. The EUC program has already been cut substantially over the last year: it only provides up to a maximum of 47 additional weeks of benefits in states with persistently high unemployment rates, and only up to 14 additional weeks of benefits in others.

The hard cut-off of benefits that occurred on December 28 means that 1.3 million jobseekers have already lost the lifeline they need to stay afloat while they look for another job. By the end of 2014, nearly 5 million will have lost extended benefits if EUC is not renewed. These losses will not only be devastating for these workers – a disproportionate number of whom are older workers – and their families but the loss of those dollars to our economy will result in approximately 240,000 fewer jobs being created by the end of 2014 – a self-defeating response.

There is a reason these benefits are called “emergency” benefits. Until the unemployment rate declines to more historically typical levels, AARP urges you to vote FOR renewal of the EUC program through 2014. If you have any questions or need additional information,
please feel free to call me, or have your staff contact Debbie Chalfie of our Government Affairs staff at 202-434-3723.

Sincerely,

Joyce A. Rogers
Senior Vice President
Government Affairs