

# Not your grandfather's workforce, but it's still his unemployment insurance system in Oregon

By JOY MARGHEIM

Let's say you often bike to work and your Oldsmobile stays in the garage half the work week. On a day when you drive, you get into an accident. Although you dutifully pay insurance every month, your claim gets denied. "Sorry," your insurer says, "you don't drive enough."

It's crazy, right? But that scenario is not too different from what many laid-off Oregon workers experience when attempting to collect unemployment insurance (UI) benefits.

Oregon's antiquated UI program often excludes part-time and temporary workers whose employers paid into the system on their behalf. Modernizing

the program so that it better serves today's workforce is more urgent today, as a severe recession leaves more Oregonians without work.

UI is good for workers, businesses and employers. The temporary wage benefits help keep the families of laid-off workers afloat. Local merchants are better off when unemployed workers continue spending on housing, groceries and other basic needs. And once business conditions improve, it helps employers call back the experienced workers they need.

To be more effective, however, the system must be updated to reflect changes in the workforce. Established in 1935, UI was designed when the labor force mostly consisted of male breadwinners who worked full time. Today's workplace looks vastly different, with more women, part-time and temporary workers.

Currently, laid-off part-time workers can collect unemployment benefits only if they are willing to accept full-time work. For many, full-time work is not an option — if they are balancing work with caretaking responsibilities, for example.

Part-time workers are a group that is too big to leave out. One in four Oregon workers labors part time, and those

workers' employers pay into the system on their behalf, just as they do for full-time workers.

UI rules also disregard up to six months of recent earnings when figuring eligibility. Therefore, Oregonians who work intermittently or have recently returned to work after a period of unemployment or caretaking duties may have difficulty qualifying.

These and other UI rules shrink the pool of workers covered. Today, only about half of unemployed Oregonians collect UI benefits.

That's bad news for the 46,700 Oregonians who have lost their job since February of 2008, when the downturn began. According to the latest data from the Oregon Employment Department, state unemployment stands at 9 percent, its highest level since April 1985.

Now is a good time for Oregon to upgrade its UI system, not only because of rising unemployment but also to take advantage of funding that may come out of Washington, D.C. Congress is considering an economic stimulus measure that would offer an incentive for states to modernize their UI programs. By modernizing, Oregon would get about \$91 million from the feds, according to the National Employment Law Project.

To qualify for the federal funding, however, Oregon would need to change its UI eligibility criteria to allow workers to count more of their recent work experience. Twenty other states and the District of the Columbia already have enacted this improvement, which helps workers who recently entered the workforce or who work intermittently to qualify for unemployment benefits. Most of those who would benefit are low-wage workers.

Oregon can improve UI further. It can eliminate barriers for part-time workers, allow workers to get their benefits immediately rather than having to wait a week for their first check, boost the benefits for workers who have children to support, and permit low-wage workers to complete a job training program while they collect unemployment benefits. Other states have taken those steps, and so should Oregon.

Just as you don't drive your grandfather's Oldsmobile, Oregonians shouldn't be stuck with their grandfathers' unemployment insurance system. The time to bring Oregon's UI system to the 21st century is now.

*(Editor's Note: Joy Margheim is a policy analyst with the Oregon Center for Public Policy. She can be reached at [jmargheim@ocpp.org](mailto:jmargheim@ocpp.org).)*

## AFSCME #2067 donates \$20,000 to help elderly, poor heat homes

SALEM — Members of AFSCME Local 2067 donated \$20,000 to four energy assistance agencies that help the elderly and other low-income residents pay their winter heating and water bills.

Donations of \$5,000 each went to Oregon HEAT, a non-profit assistance agency; Salem Electric, Mid-Willamette Valley Community Action, and Salem's water and sewer department.

AFSCME Local 2067 represents over 600 members at the City of Salem.

Since Dec. 1, the local also made cash donations of \$20,000 to various branches of the Oregon Food Bank network.

"We believe it's very important for us to be good citizens and participants in our community," Local 2067 President Jack Tucker told e-lert, an online newsletter of Oregon AFSCME Council 75. "City employees are real people, too — we live in the local communities, we pay taxes and we have a vested interest in making our communities better. As a group, we're always looking for ways to give back to our community. It's a high priority for this active group of union members."

Tucker works in the City of Salem's Public Works Department.

## Witt sponsors bill allowing UI aid for part-timers

SALEM — Oregon State Rep Brad Witt is sponsoring a bill that would allow unemployment insurance benefits for part-time workers.

Witt, a union rep with United Food and Commercial Workers Local 555 and a former secretary-treasurer of the Oregon AFL-CIO, sits on the Business and Labor Committee.

"The bill is both an economic stimulus and a safety net issue for those who often have to work two or more part-time jobs," Witt said. "This will make an important contribution towards breaking the economy's downward spiral caused in part by inadequate consumer spending. It is also a basic fairness issue: Part-time employees pay into the system just like full time employees. Unemployment insurance is well funded in Oregon so we can fund this and still maintain our reserves."



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