

## 100,000 JOBLESS IN OHIO TO LOSE UI BENEFITS



With the new changes in the rules of UI extension benefits and associated conditions, industry experts believe that at least 100,000 jobless workers in Ohio may lose their UI benefits. Keeping in mind the recession, the U.S. government had previously extended UI benefits to an unprecedented 99 weeks while the normal rule was for 26 weeks. Last week, with passing the tax cuts, the Congress had reauthorized the extended UI benefits throughout the nation including close to 100,000 workers in Ohio. Extended benefits are subject to many factors including the state's unemployment rate. With Ohio's unemployment rate falling over the past few months and reaching 8.1 percent in December, it looks as if extended benefits of about twenty weeks and affecting about 19,000 jobless would disappear immediately if the unemployment rates remain steady. If the three month average falls below 8.5 percent, which can happen anytime now, then another six weeks of extended UI benefits would be lost by the jobless in Ohio. The extended UI benefits are paid to jobless workers in tiers once they exhaust their regular and allotted weeks of jobless benefits granted by the state of Ohio. However, many economists believe that the reduction of the term of jobless benefits can actually help stabilize the economy. Others are not clear how that can happen given that right now there are four candidates for each opening in Ohio. Even full employment under the present situation would still leave three people jobless for each one who gets a job. Ken Mayland, an economist said to the Dayton Daily News that "Like all government benefits people get hooked on the candy... research shows that people's job searches correlate strongly with the length of their unemployment benefits. Statistically, there is a tendency for people to find jobs faster when their benefits run shorter." Though it was not clear which statistics Ken Mayland referred to, as according to Heath MacAlpine, the assistant director of Montgomery County Job and Family services, the situation is distinctly different. Talking on the issue, she said "Our experience at the Job Center has been that most people are looking hard for work... when we talk about the monetary incentive ... the amount of money you make while you're employed clearly beats the amount of money you're going to receive on unemployment compensation." Zach Schiller, research director at Policy Matters Ohio said, "The unemployment system does not exactly pay one some significant amount, so to act as if some large substantial number of unemployed people are just sitting around getting benefits and not wanting to work is just a fantasy."

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