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Unemployment Data Underscore Need for Oregon Voters and Congress to Step Up

Statement by OCPP analyst Joy Margheim on the December employment report

Although offering the first glimmer of hope for recovery in the job market, today's Oregon employment report confirms the need for three public policies: federal extension of unemployment insurance benefits, a federal extension of COBRA health insurance supports, and voter approval of the tax cut for the unemployed contained in Measure 66.

The Oregon Employment Department reported that Oregon's unemployment rate for December 2009 stood at 11 percent, essentially unchanged from the prior three months. In addition, the state saw job gains for the first time since July 2008, with the addition of 2,900 jobs in December.

This recession, long-term unemployment has become more common. In 2009, on average 26 percent of Oregon workers remained unemployed for 6 months or longer, the highest level seen in records kept since 1994. With jobs projected to remain scarce, the well-being of Oregon communities requires Congress to extend federal unemployment insurance provisions that would otherwise expire in February.

Congress can also help protect the unemployed and their families by extending the federal COBRA subsidy. COBRA allows certain workers to maintain job-based health insurance coverage for themselves and their families when they lose a job. For the unemployed, however, maintaining such coverage is often unaffordable, since the laid-off worker is responsible for all of the premium cost. That's why Congress wisely enacted a subsidy for COBRA benefits as part of the Recovery Act last year, but the provision expires in February.

By acting quickly to extend unemployment benefits and the COBRA subsidy, Congress can help shore up the unemployed and their families as they face a uniquely challenging job market.

Oregon voters must also do their part to help unemployed Oregonians by voting "yes" on Measure 66 in the January 26 election. That measure would enact a

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tax cut for an estimated 270,000 taxpayers, representing about 17 out of every 100 taxpayers.

An extension of unemployment insurance benefits and COBRA subsidies and a tax cut for those who relied on unemployment insurance would not only help those impacted directly by the recession but also help stabilize Oregon's economy.