

Wisconsin Workers Deserve Results, Not Rhetoric

Written by Jeff Smith, State Senator District 31
Wednesday, 26 May 2021 08:28

<http://newiproggressive.com/images/stories/S5/unemployment-office-line-s5.png>



Sen. Smith writes about recent legislative efforts to prematurely end unemployment insurance benefits for unemployed Wisconsinites.

MADISON - When a friend or neighbor is struggling, what's your first instinct? Most of us would likely ask if there's any way to help. The alternative would be to ignore them or suggest they try harder and buck up. Some would say that others' troubles are their own tough luck or made from their own bad choices.

It may be true that a small number of people bring their troubles on themselves, but sometimes it just comes down to bad luck. For that reason, insurance is available to assist individuals in difficult times like these. People pay into a fund in case misfortune arises. We pay, hoping we'll never need to make a claim, but it's reassuring to know this support is available just in case. We accept this is the way insurance works.

Wisconsin's Unemployment Insurance fund works the same way. Unemployment insurance (UI) is not welfare. UI is an insurance policy similar to what we have to protect our belongings, home, health and even our lives.

At the beginning of the pandemic, many Wisconsinites who never needed unemployment insurance assistance suddenly found themselves laid off and struggling to cover their bills. The

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UI system was overwhelmed almost overnight with claims.

With nearly unanimous bipartisan support, Congress passed the CARES Act around this time creating additional unemployment insurance benefits to support Wisconsinites. These additional benefits proved to be invaluable for many unemployed workers who couldn't access regular UI benefits or lost unrecoverable wages.

The Federal Pandemic Unemployment Compensation (FPUC) specifically made \$300 payments available for working families to spend in their local communities at grocery stores, restaurants and other local small businesses. That extra \$300 kept families from suffering more while the pandemic created chaos in our economy.

Now, in May 2021, as the economy is slowly beginning to roll again, legislative Republicans want to prematurely end the \$300 FPUC payments and repeal three other UI federal programs that are still supporting working families in our state.

Republican leaders are using the workforce shortage as an excuse to deny unemployed workers the UI benefits they've earned. UI benefits are not to blame for the labor shortage. Just look at the recent unemployment numbers that have returned to pre-pandemic levels: in the last two months, the rate was below 4% (3.8% in March and 3.9% in April). A year ago in April of 2020, the rate had hit a high of 13.6%. Additionally, Wisconsin's unemployment rate of 3.8% in February was far below the national average of 6.2%. Wisconsin workers are back to work despite the Republican rhetoric!



It's important to point out many of the challenges related to workforce retention existed long before the pandemic, and again can't be attributed to UI. Before the pandemic, parents struggled to find reliable, affordable childcare near their workplaces; this problem has only worsened now that 25% of all daycare centers in our state have permanently closed. Wisconsin still has a caregiver crisis with many employees in that field transferring to different industries that deliver better wages. The lack of broadband access and affordable housing can limit someone's ability to move or change vocations. And some workers may have made the decision to go back to school and re-train for the next work challenge with the loss of their previous job.

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Keep in mind that the politicians who gave themselves a 300 day vacation in 2020 – without losing any pay – are the same politicians who are taking away workers' UI compensation.

UI payments are the low-hanging fruit Republicans are grasping for to justify their inaction on long-term workforce development solutions. We need to think smarter about ways we can strategically improve issues, like childcare access or broadband expansion, in our communities. It will take time and effort, but Wisconsin's future is worth it.