



ANALYSIS BACKGROUND

August 26, 2003

NUMBER OF FAMILIES SUFFERING LONG-TERM UNEMPLOYMENT SOARS

The latest unemployment data shows a 51 percent increase in the number of parents suffering long-term unemployment compared with one year ago, according to an analysis by the Children's Defense Fund (CDF). The rapid rise in the number of parents unemployed for more than six months indicates that the poor economy is having an increasingly devastating impact on families with children. As of June 2003, there were 655,000 parents suffering long-term unemployment, up from 433,000 in June 2002 and more than triple the number in June 2001.

CDF examined the number of long-term unemployed parents with children younger than 18, focusing on January 2000 through June 2003, the latest month available. Long-term unemployment is defined as seeking work for longer than 26 weeks. CDF's computer analysis used person-by-person data from the federal government's monthly Current Population Survey, the source of official unemployment statistics. The analysis found:

- In June 2003, 655,000 parents suffered long-term unemployment.
- The June 2003 figure marks a one-month jump of 20 percent (up from 547,000 in May 2003); is a 51 percent increase compared with June 2002; and is more than triple the level in June 2001 (196,000).¹
- One out of every 100 American parents was out of work and suffering long-term unemployment in June 2003, the highest proportion since at least January 2000.²

These 655,000 long-term unemployed parents were among the 14.8 million parents who were without work in June 2003. Specifically, 2.8 million parents were unemployed (that is, actively seeking work) and another 12 million were not looking for work.

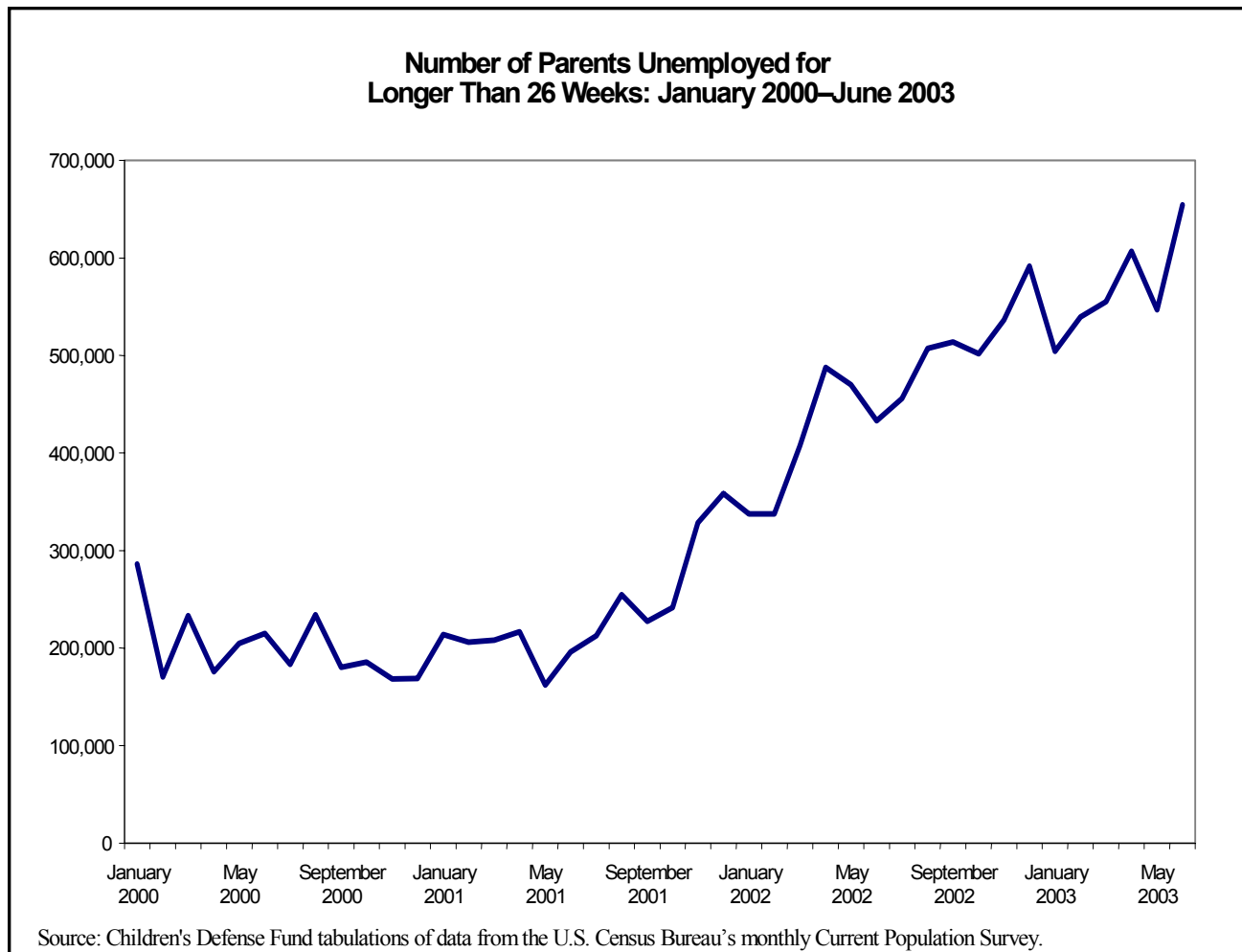
The long-term unemployment trends for parents parallel the figures for Americans overall released by the U.S. Department of Labor.³ Those figures show that the number of Americans unemployed longer than 26 weeks roughly tripled since June 2001. The number of Americans suffering long-term unemployment in June stood at its highest level in a decade. Long-term unemployment began to increase steadily in the months after September 2001.

¹ Unless noted, figures in this report are not seasonally adjusted.

² For technical reasons, Current Population Survey estimates of numbers of persons after January 2003 are not strictly comparable with estimates for earlier months, due to updates resulting from the 2000 Census. However, figures on *proportions* of individuals are generally comparable, according to the Labor Department. The trend in the proportion of parents suffering long-term unemployment confirms the trend in the numbers of such parents; both trends tell a story of dramatic increases since 2001 and 2002.

³ The Labor Department does not calculate monthly unemployment figures for parents.

LONG-TERM UNEMPLOYED PARENTS – 2



The findings are among the latest signs of how families with children increasingly are suffering from the weak economy that began in 2001. A Labor Department report released quietly last month found that the number of working poor families rose in 2001.⁴ The number of families with children that had at least one family member in the labor force for at least half of the year, yet who had income below the federal poverty line, rose by 143,000 — or 5 percent — between 2000 and 2001. The poverty line was \$14,128 for a family of three in 2001.

⁴ U.S. Department of Labor, Bureau of Labor Statistics, *A Profile of the Working Poor, 2001*, Report 968 (Washington, D.C.: June 2003). Calculations by the Children's Defense Fund. The Labor Department report defines working poor as those in the labor force (employed or looking for work) for more than half the year.

LONG-TERM UNEMPLOYED PARENTS – 3

Parents by Labor Force Status and Long-Term Unemployment (Numbers in Thousands)

	June 2000	June 2001	June 2002	June 2003
Total Parents	63,766	64,091	64,084	65,612
Employed	50,630	50,514	49,645	50,841
Not Employed	13,135	13,577	14,439	14,772
Unemployed	1,675	1,858	2,500	2,800
More than 26 Weeks	215	196	433	655
Not in Labor Force	11,460	11,719	11,939	11,971
Percent Employed	79.4	78.8	77.5	77.5
Unemployment Rate	3.2	3.5	4.8	5.2
Long-Term as a Percentage Of All Unemployed	12.8	10.5	17.3	23.4

Note: Not Seasonally Adjusted. Numbers for 2003 are not strictly comparable with earlier months.

**APPENDIX A. Parents (Persons Living with Their Own Children Under 18)
by Labor Force Status and Long-Term Unemployment: Jan. 2000–June 2003**
(Numbers in Thousands)

	Total	Emp-loyed	Unem- ployed	Long-Term: Unem- ployed More Than 26 Weeks	Not in Labor Force	Percent Employed	Unem- ployment Rate	Long-Term as % of All Unem- ployed
2000								
January	64,789	51,300	1,971	286	11,518	79.2	3.7	14.5
February	64,120	51,010	1,896	170	11,215	79.6	3.6	9.0
March	63,456	50,608	1,791	233	11,057	79.8	3.4	13.0
April	63,761	51,234	1,566	176	10,961	80.4	3.0	11.2
May	63,825	51,036	1,609	204	11,181	80.0	3.1	12.7
June	63,766	50,630	1,675	215	11,460	79.4	3.2	12.8
July	63,651	50,174	1,756	183	11,721	78.8	3.4	10.4
August	63,382	49,917	1,787	234	11,678	78.8	3.5	13.1
September	63,436	50,554	1,587	180	11,295	79.7	3.0	11.4
October	63,953	51,149	1,473	185	11,331	80.0	2.8	12.6
November	64,036	51,114	1,586	168	11,336	79.8	3.0	10.6
December	63,589	50,740	1,585	169	11,264	79.8	3.0	10.6
2001								
January	63,622	50,515	2,016	213	11,092	79.4	3.8	10.6
February	63,604	50,528	1,934	206	11,141	79.4	3.7	10.6
March	63,583	50,481	2,077	208	11,025	79.4	4.0	10.0
April	64,222	50,948	1,836	217	11,438	79.3	3.5	11.8
May	64,566	51,278	1,795	162	11,493	79.4	3.4	9.0
June	64,091	50,514	1,858	196	11,719	78.8	3.5	10.5
July	64,076	50,325	1,930	213	11,821	78.5	3.7	11.0
August	63,842	50,091	2,013	255	11,738	78.5	3.9	12.7
September	63,546	50,201	2,006	227	11,339	79.0	3.8	11.3
October	63,535	50,124	2,030	241	11,381	78.9	3.9	11.9
November	63,326	49,768	2,301	328	11,257	78.6	4.4	14.3
December	63,568	49,903	2,366	358	11,299	78.5	4.5	15.1
2002								
January	63,676	49,489	2,770	338	11,416	77.7	5.3	12.2
February	63,931	49,973	2,616	338	11,343	78.2	5.0	12.9
March	64,160	50,040	2,710	407	11,410	78.0	5.1	15.0
April	64,136	50,176	2,629	488	11,331	78.2	5.0	18.5
May	64,405	50,466	2,398	470	11,541	78.4	4.5	19.6
June	64,084	49,645	2,500	433	11,939	77.5	4.8	17.3
July	64,354	49,765	2,549	456	12,040	77.3	4.9	17.9
August	64,251	49,891	2,412	507	11,948	77.6	4.6	21.0
September	64,164	50,190	2,255	514	11,719	78.2	4.3	22.8
October	64,723	50,722	2,358	502	11,642	78.4	4.4	21.3
November	63,978	49,825	2,552	537	11,601	77.9	4.9	21.0
December	63,885	49,718	2,580	592	11,588	77.8	4.9	22.9
2003								
January	65,752	50,885	2,763	504	12,103	77.4	5.1	18.2
February	65,822	50,752	2,833	539	12,237	77.1	5.3	19.0
March	65,843	50,895	2,876	555	12,072	77.3	5.3	19.3
April	65,878	51,273	2,614	607	11,991	77.8	4.9	23.2
May	65,730	51,032	2,563	547	12,135	77.6	4.8	21.3
June	65,612	50,841	2,800	655	11,971	77.5	5.2	23.4

LONG-TERM UNEMPLOYED PARENTS – 5

Note: Figures are not seasonally adjusted. Unemployed is defined as not employed but actively seeking work. Not in the labor force is defined as not employed and not actively seeking work. The unemployment rate is the number unemployed as a percentage of the labor force (employed plus unemployed). Figures for January 2003 and later are not strictly comparable with earlier months.

Source: Children's Defense Fund tabulations of the monthly Current Population Survey, January 2000–June 2003.

LONG-TERM UNEMPLOYED PARENTS – 6

APPENDIX B. All Persons Age 16 and Older by Labor Force Status and Long-Term Unemployment: Jan. 2000–June 2003 (Numbers in Thousands)

	Total	Emp-loyed	Unem- ployed	Long-Term: Unem- ployed More Than 26 Weeks	Not in Labor Force	Percent Employed	Unem- ployment Rate	Long-Term as % of All Unem- ployed
2000								
January	208,782	133,357	6,264	758	69,161	63.9	4.5	12.1
February	208,907	133,954	6,231	629	68,723	64.1	4.4	10.1
March	209,053	134,494	6,007	663	68,552	64.3	4.3	11.0
April	209,216	135,215	5,188	605	68,813	64.6	3.7	11.7
May	209,371	134,961	5,435	625	68,975	64.5	3.9	11.5
June	209,543	136,192	5,940	611	67,411	65.0	4.2	10.3
July	209,727	136,097	6,004	711	67,626	64.9	4.2	11.8
August	209,935	135,601	5,824	713	68,510	64.6	4.1	12.2
September	210,161	135,033	5,324	623	69,804	64.3	3.8	11.7
October	210,378	135,771	5,122	597	69,485	64.5	3.6	11.6
November	210,577	135,731	5,295	555	69,551	64.5	3.8	10.5
December	210,743	136,092	5,227	633	69,424	64.6	3.7	12.1
2001								
January	210,889	134,462	6,587	714	69,841	63.8	4.7	10.8
February	211,026	134,774	6,464	726	69,788	63.9	4.6	11.2
March	211,171	135,298	6,453	721	69,421	64.1	4.6	11.2
April	211,348	135,122	5,951	723	70,275	63.9	4.2	12.2
May	211,525	135,202	5,846	604	70,477	63.9	4.1	10.3
June	211,724	135,922	6,762	692	69,040	64.2	4.7	10.2
July	211,920	136,385	6,797	700	68,739	64.4	4.7	10.3
August	212,135	134,905	6,956	854	70,274	63.6	4.9	12.3
September	212,357	134,868	6,708	787	70,781	63.5	4.7	11.7
October	212,581	134,898	7,106	862	70,577	63.5	5.0	12.1
November	212,767	134,359	7,551	1,052	70,856	63.1	5.3	13.9
December	212,927	134,235	7,678	1,103	71,015	63.0	5.4	14.4
2002								
January	213,089	132,139	8,935	1,244	72,014	62.0	6.3	13.9
February	213,206	133,349	8,707	1,242	71,149	62.5	6.1	14.3
March	213,334	133,433	8,659	1,383	71,243	62.5	6.1	16.0
April	213,492	133,740	8,146	1,490	71,605	62.6	5.7	18.3
May	213,658	134,365	7,888	1,541	71,405	62.9	5.5	19.5
June	213,842	134,992	8,677	1,590	70,173	63.1	6.0	18.3
July	214,023	135,289	8,595	1,563	70,139	63.2	6.0	18.2
August	214,225	135,028	8,148	1,548	71,049	63.0	5.7	19.0
September	214,429	135,063	7,683	1,520	71,684	63.0	5.4	19.8
October	214,642	135,237	7,640	1,577	71,765	63.0	5.3	20.6
November	214,819	134,358	8,047	1,642	72,414	62.5	5.7	20.4
December	214,968	134,232	8,066	1,841	72,670	62.4	5.7	22.8
2003								
January	219,897	135,907	9,395	1,828	74,596	61.8	6.5	19.5
February	220,114	136,433	9,260	1,943	74,421	62.0	6.4	21.0
March	220,317	136,783	9,018	1,896	74,516	62.1	6.2	21.0
April	220,540	137,424	8,501	2,005	74,615	62.3	5.8	23.6
May	220,768	137,567	8,500	1,905	74,701	62.3	5.8	22.4
June	221,014	138,468	9,649	2,028	72,897	62.7	6.5	21.0

LONG-TERM UNEMPLOYED PARENTS – 7

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Source: Children's Defense Fund tabulations of the monthly Current Population Survey, January 2000–June 2003.