As Senate adjourns for weekend

New US unemployment claims top 1 million for 20th straight week

By Jacob Crosse
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Data published by the US Labor Department on Thursday showed that for the 20th straight week more than 1 million workers filed unemployment claims for the first time. Unlike in previous weeks, the workers who filed last week will not be eligible to receive the enhanced federal unemployment benefit of $600 a week that expired last week along with a partial federal moratorium on evictions.

Thursday's report did little to prompt movement between the Democrats and Republicans toward an agreement on a fifth coronavirus stimulus bill. This is despite over 30 million workers losing out on the enhanced benefits last week, while over 23 million are facing eviction in the next two months, according to the Aspen Institute.

Instead, the negotiations, with Treasury Secretary Steven Mnuchin and White House Chief of Staff Mark Meadows on one side and Speaker of the House Nancy Pelosi and Senate Minority Leader Charles Schumer on the other, ended the same as on previous days: without an agreement, much less a date for a possible vote.

Without the possibility of an agreement before Friday, senators from both parties adjourned for a three-day weekend.

"We're still a considerable amount apart," Meadows told reporters after another day of dithering. Pelosi, talking out of both sides of her mouth, said she could see "light at the end of the tunnel," but that the two sides were "very far apart—it's most unfortunate."

Making clear the willingness of the Democrats to agree to a cut in benefits, Schumer expressed "disappointment" over Thursday's talks and blamed the Republicans for being "unwilling to meet in the middle."

The 1.19 million new unemployment claims for the week ending July 25 were slightly down from the 1.43 million claims the previous week. However, the figure is still nearly double the pre-pandemic record of 695,000 claims set in 1982. Overall, roughly 55 million unemployment claims have been filed since mid-March.

Currently, there are an estimated 5.4 million job openings, while over 31 million people are collecting some form of unemployment pay. The few jobs that are available are mostly low-paying and carry a high risk of contracting the virus.

Research conducted by the California Policy Lab found that "more than half (57 percent) of recent unemployment claims" are from workers who are resubmitting or reopening their claims after they had returned to work but were then let go again.

This important statistic shows the falsity of claims by Republicans and some Democrats that the now expired federal supplement to state unemployment benefits enacted in March as part of the CARES Act corporate bailout is an "overpayment" and creates a "disincentive to work." Workers are not as a rule refusing to return to previously held jobs, despite legitimate concerns about the risk of COVID-19 infection. Rather, the jobs are not there, as businesses continue to close while the virus spreads out of control across the country.

The research conducted by the California Policy Lab coincides with findings released Monday by Cornell University, which found that 31 percent of workers who returned to work after being laid off or furloughed at the start of the pandemic have since been laid off a second time. An additional 26 percent of workers surveyed reported that even though they had been called back to work, their supervisor or boss warned that they could be laid off again.

As with all aspects of the coronavirus crisis, the working class and poor are being made to suffer the brunt of its effects, including joblessness. Recent analysis conducted by economics professor Peter Ganong at the University of Chicago concluded that workers in the lowest income quintile, that is, the bottom 20 percent, have experienced three times as many job losses as higher-paid workers in the top quintile.

In addition to Thursday's new unemployment claims report, the Department of Labor released data showing that over 16.1 million people are currently collecting traditional unemployment benefits from their state. The ending of the federal supplement means a reduction in weekly income for millions of workers of between 60 percent and 80 percent, depending on the state where they reside.

Oklahoma has the highest drop-off. The average Oklahoma worker will see an 85.6 percent reduction in wages without the federal enchantment. Louisiana is second, with a 75.4 percent reduction, while jobless workers in Mississippi, Florida, Alabama, Arkansas, Tennessee, South Carolina, North Carolina and Florida will receive at least 70 percent less in benefits.

Reporters from the *World Socialist Web Site* spoke to Rick, an unemployed child care worker from Michigan. He said: "I was first put on a leave of absence from my job working in early childhood education in March. It was originally not intended to last very long. I remember my bosses and coworkers being very blindsided by the whole situation.

"It's been very difficult to remain sheltered in place for this long. I am fairly certain that I will not be able to be rehired at the same job that I left in March.

"In June, I tentatively accepted an offer to return to the job on a limited basis by the end of July, with the hope that COVID cases would stay low. When they began increasing again in early July, I called and told them I was uncomfortable with returning to work at that time. My employer said she understood and that many of my coworkers had also said they wished to wait for a few more months before returning.

"I have fears now that I will be removed and will have to reapply to work there again. This will basically wipe out all the pay raises I've received while working there and force me to start all over again. We're already too low-paid as it is.

"This brings up the $600 expanded benefits. With those, I at least had financial support that I needed if the pandemic continues to remain a problem. Before the pandemic, I would try to limit myself to spending about $10 a day on any items beyond gas for my car or bills.

"Working in child care, there had been weeks when my bank account would run out days before my paycheck arrived. I would bum food from the kitchen at my job. Some of my coworkers actually brought food from home and would share.

"When the first expanded payments came in, I found myself able to actually fill my cart at the grocery store. I would go early in the morning to avoid the crowds and maintain healthy social distancing. Remarkably, I could participate in society somewhat more easily during the pandemic, simply due to actually having some money to spend.

"What really gets me about them saying this benefit is a disincentive to work is that I didn't create this pandemic. They did. They failed us and want to tell us that we're the ones being overpaid!

"It's not easy having to remain inside during the summer, losing contact with friends and coworkers. Not to mention the children. I can hope that I'll be able to at least last a few more months until it's safer to look for work. I can only hope.

"I've had fights with family because they refuse to take the coronavirus seriously. I don't know if at this point I'll even retain all my job skills when I go back because it's been nearly six months of waiting. I certainly don't enjoy life being put on hold. Now they want us to risk dying as well. The crisis this has created won't go away with a return to work. Everything is changed."