



INSTITUTE FOR WISCONSIN'S FUTURE
policy research in the public interest

Kathleen Mulligan-Hansel, Ph.D.
Director, Working Families Project

Unemployment Insurance Advisory Council
Public Hearing
May 25, 2004

Good afternoon. Thank you for the opportunity to testify. I am Kathleen Mulligan-Hansel, director of the Working Families Project at Institute for Wisconsin's Future. For the past 6 years, IWF has been conducting research and advocacy to reform the state's Unemployment Insurance system so that it better meets the needs of our state's low-wage workers. In 2000-01, I served on the UI Advisory Council's Part-Time Worker Study Group. I am here today because I believe the work of that group is incomplete. To this day, part-time workers in Wisconsin continue to be barred from receiving unemployment insurance, even though they make a significant contribution to our state's economy.

As you know, workers applying for UI in Wisconsin are only eligible if they state they are able and available for full-time work. Additionally, they must be available for 50% of the full-time jobs in their labor market area. While this aspect of UI law is supposed to ensure that benefits are only awarded to real workers, in fact it prevents many real Wisconsin workers from getting the support they need during periods of economic downturn. And this provision disproportionately affects the thousands of Wisconsin women whose work is critical to their ability to support their families.

According to the recently released report "The Status of Women in Wisconsin," 1.3 million Wisconsin women are members of the laborforce. Our state can boast that 68% of all women work, and a whopping 78% of women with children are in the workforce. Most are working part-time out of choice. Because they have to balance the, sometimes competing, demands of work and family, many women workers choose part-time work or non-first-shift jobs that are compatible with their childcare arrangement.

Women workers are twice as likely to be disqualified from receiving UI when they lose their jobs than men. Women are less likely to receive UI when they are laid off, in part, because they are much more likely to be working part-time than are men. 28% of Wisconsin's female laborforce work part-time. In Wisconsin, even if these workers are the primary breadwinners, even if they are the only wage-earner in their family, they would not be eligible to receive unemployment insurance if laid off from their jobs.

Increasingly, Wisconsin's policy looks outdated when compared with other states. Twenty-four states – including Minnesota and Illinois – currently allow part-time workers to qualify for UI. If they have qualifying wages and have legitimately lost their jobs through no fault of their own, they can receive UI benefits commensurate with their earnings. Six states, not including Wisconsin, have meaningfully expanded eligibility for part-time workers since 2001.

At the conclusion of the part-time worker study group in 2001, the UI Advisory Council made a small modification in eligibility rules. As a result, workers available for 32 hours a week of work, rather than the 35 hours required previously, would be considered a full-time worker. This change does little for part-time workers, especially women with children, for two reasons. First, it affected only a very small number of workers. Data from the 2000 Current Population Survey showed that 86% of Wisconsin's part-time workforce work 30 hours a week or less. Shifting the hours available requirement to 20 hours/week would enable 54% of part-time workers to be eligible for UI, as long as they meet the other requirements.

Second, the 2001 modification was insufficient because there was no change in the requirement that applicants be available for 50% of the first shift jobs. Part-time workers, especially women with children, tend to work part-time, or in second or third shift jobs, precisely because of their need to balance childcare demands with work. Continuing to require UI claimants to be available for first-shift work means that women who are supporting their children can't get any benefits.

Changes to Wisconsin's UI system are long-overdue. To serve women workers, the UI system needs to be more accessible to part-time workers. In the past few years, Wisconsin's workforce as a whole has weathered an incredibly difficult labor market transition. For many women workers, this period of transition has been particularly difficult, because they could not rely on the system of work supports available to others. I urge you to revisit this issue.