

## **Priority Issue: Employment & Financial Stability 2012**

United Way's position on job creation for financial stability seeks to address the importance of family financial stability and the consequences that result for families who are suffering from job loss, underemployment, and the effects of sustained financial hardship.

Ohio's October 2011 unemployment rate of 9% is tied with the U. S. national average for unemployment. Eleven Ohio counties suffer unemployment rates of 11% or higher, topping out at 15%. U.S. underemployment also remains high hitting 18.1% in November, according to Gallop poll statistics. Economist and former Secretary of Labor Robert Reich says "At the current rate of job growth (averaging 90,000 new jobs per month over the last six months), 14 million Americans will remain permanently unemployed." Reich also says unemployment in the U.S. will most likely remain high for the next 10 years. Ohio residents seeking employment and a living wage cannot wait 10 years.

Both unemployed and underemployed families suffer from the effects of this economic crisis. There is an economic tipping point for families and communities who support them. The sustained lack of financial stability leads to:

- Erosion of access to health care and prescriptions;
- Burden and backlog on existing services;
- Increased foreclosures and lack of shelter;
- Predatory lending opportunities;
- Reduced revenues to support social services; and
- General breakdown in a family and life quality.

The United Way in its mission seeks to support families impacted through a variety of agency programs that span the spectrum. The United Way's mission is to evaluate and strengthen the many programs funded and supported.. To name a few:

- Job re-training;
- Referral to the many agencies and advocates;
- Utility and food assistance;
- Assistance on shelter and protective services
- Education on earned income tax credit (EITC) and other help programs; and
- Health and mental services assistance.

### **Ohio United Way supports the following legislative initiatives:**

#### **Job Creation:**

- Legislators stress job creation and job sustainability as a priority for legislation in the coming session.
- Support incentives for businesses to hire Ohioans. Emphasis given to harder hit areas and for citizens impacted the most.
- Address the 18.1% underemployed and return sustainable full-time employment options to Ohioans.

#### **Social Safety Net:**

- Review payday lending laws and further tighten rules around predatory lending practices

- Improve financial stability to families earning at or near the poverty level by enacting or extending tax structures such as EITC or other incentives that reinforces work options over dependency on assistance.
- Legislators give consideration to extend continued support to social service programs that provide direct assistance for job retraining, gap relief for families out of work and for rehabilitation services that support re-employment.