



Georgia Department of Labor

**Georgia Men Hit Hardest by Recession
December 2007 – May 2009**

July 2009

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Series of papers on Georgia's Workforce

Executive Summary

- Between 12/2007 and 5/2009, the number of Georgia males drawing unemployment insurance (UI) increased from 34,136 to 88,612 or 160 percent.
- Between 12/2007 and 5/2009, the number of unemployed white males drawing UI benefits increased from 16,581 to 51,562 or 211 percent.
- Between 12/2007 and 5/2009 the number of unemployed African-American males drawing UI benefits increased from 16,120 to 33,197 or 106 percent.
- In May 2009, jobless Georgia men constituted 57.6 percent of the states' UI population.
- White males have replaced African-American females as the largest demographic group receiving state UI benefits.
- Jobless men experience poorer psychological health than unemployed women.
- Men are underrepresented in state education and training programs.
- A growing percentage of jobless Georgia males are at-risk of becoming structurally unemployed.

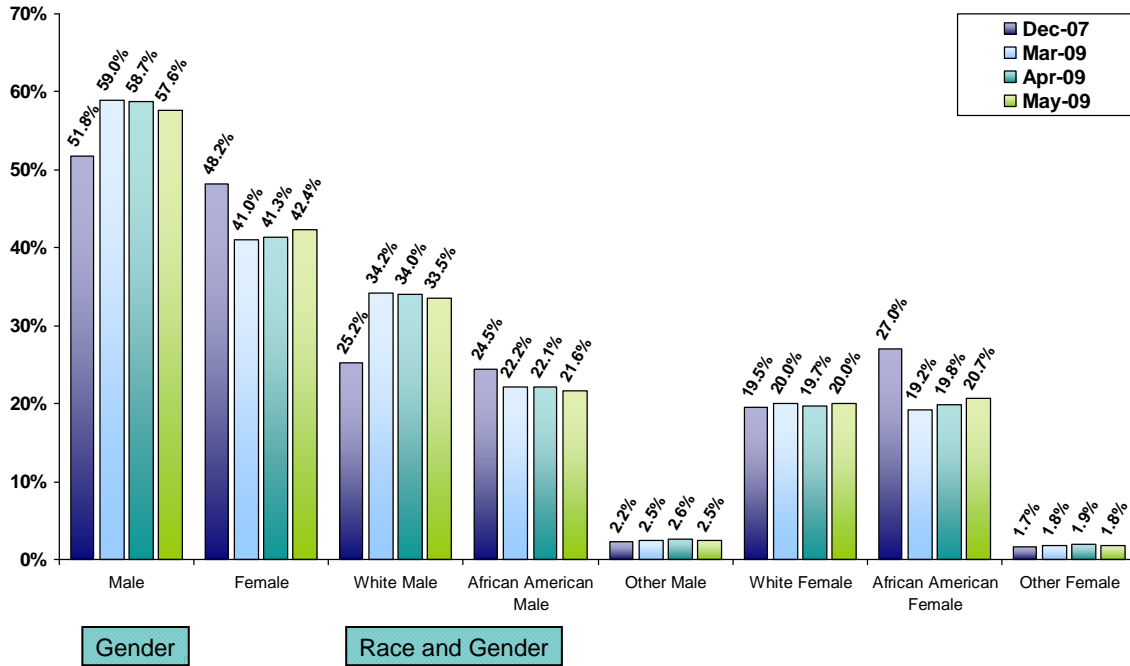
Georgia Men Hit Hardest by Recession

Job losses in construction, manufacturing and other male dominated industries have resulted in historically high levels of unemployment among Georgia males. From December 2007, the official beginning of the current recession, through May 2009, the number of men drawing state unemployment benefits increased from 34,136 to 88,612 or 160 percent. In May 2009, jobless men constituted 57.6 percent of the 153,930 Georgians receiving unemployment insurance (UI) benefits.

The impact of the “he-cession” or “man-cession” on the demographic composition of Georgia’s UI population has been dramatic--particularly among white male workers. During the economic downturn, the number of white males receiving weekly UI benefits increased from 16,581 to 51,562 or 211 percent. During that same period, the number of African-American male UI claimants increased from 16,120 to 33,197 or 106 percent.

Female workers also experienced higher levels of unemployment, however, layoffs affecting Georgia women have been less severe compared to their male counterparts. Between December 2007 and May 2009, the number of female state UI claimants increased from 31,754 to 65,318 or 106 percent. White female claimants rose from 12,825 to 30,720 or 140 percent, while black female claimants experienced the smallest percentage increase among the four major demographics groups, (white male, black male, white female and black female) from 17,777 to 31,789 or 78.8 percent. Male and female Hispanics and Latinos totaled 6,301 claimants. Asians and other racial groups accounted for 6,662 claimants.

Demographic Profile of Georgia's UI Claimants



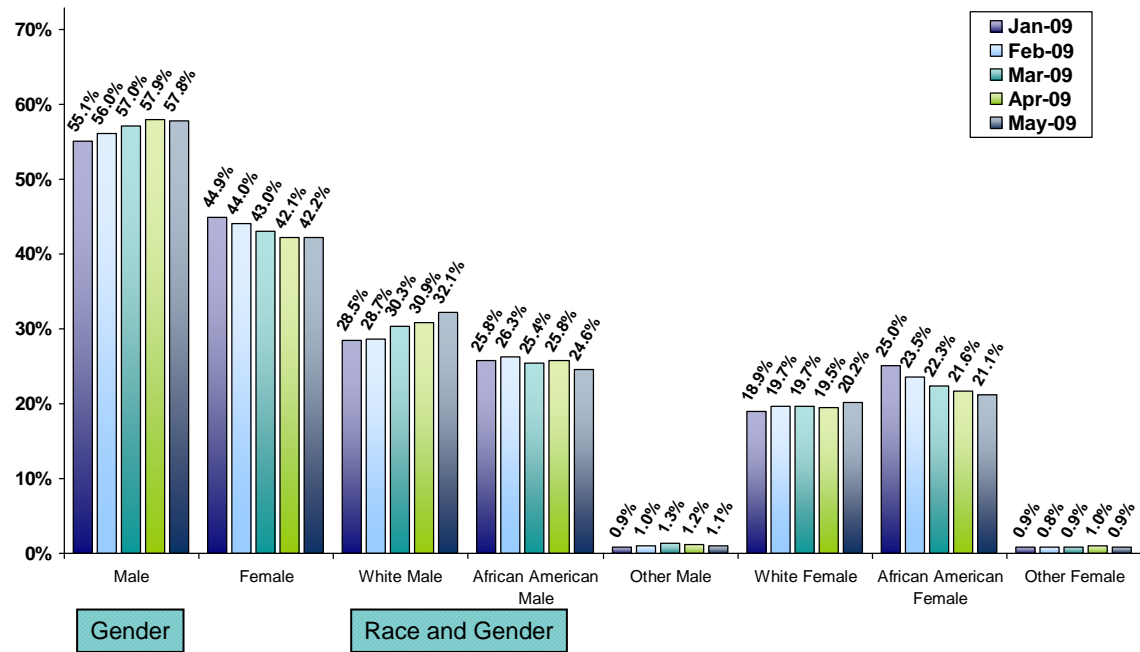
Source: Georgia Department of Labor, Workforce Information & Analysis, Continued Claims Data

At the beginning of the current recession, African-American women constituted the largest demographic group receiving state UI benefits. By March 2009, they had become the smallest. Large concentrations of black female workers in recession resistant sectors such as education and health care provided insulation from massive lay-offs that impacted other industries. Meanwhile, manufacturing and other male dominated industries were being ravaged by the ongoing recession. Consequently, white males replaced black females as the single largest demographic group receiving Georgia unemployment benefits.

In December 2007, the demographic profile of Georgia's UI claimant population was: African-American women, 27.0 percent; white males, 25.2 percent; African-American males, 24.5 percent; white females, 19.5 percent; other males, 2.1 percent and other females, 1.7 percent. By May 2009, the white male percentage had increased to 33.5 percent, followed by African-American males at 21.6 percent, white females, 20.0 percent and African-American females, 20.7 percent.

Although the percentage of Georgia males receiving UI benefits declined slightly from its peak of 59 percent in March 2009 to 57.6 percent in May 2009, this "improvement" may be masking a more troubling problem. Much of the decline can be attributed to an increasing percentage of male claimants who exhausted state UI benefits prior to finding a new job. During the first five months of the year, the percentage of male claimants who exhausted UI benefits increased from 55.1 percent in January 2009 to 57.8 percent in May 2009. Meanwhile, the percentage of female claimant "exhaustees" declined from 44.9 percent to 42.2 percent.

Demographic Profile of Georgia's UI Claimant Exhaustees



Source: Georgia Department of Labor, Workforce Information & Analysis, Final Payments Data

High levels of male unemployment are not just a Georgia phenomenon. The Great Recession is having a devastating impact on male workers throughout the United States. According to the Bureau of Labor Statistics, almost 80 percent of the more than 6.5 million Americans who have lost jobs since the beginning of the recession have been men. A report by Northeastern University's Center for Labor Market Studies reports that the "unemployment rate for males in April 2009 was 10 percent, versus only 7.2 percent for women, the largest absolute and relative gender gap in unemployment rates in the post-World War II period."

Policy Implications

(1) Men experience more negative psychological reactions to unemployment than jobless women.

The psychological impact of unemployment on jobless workers has been the subject of numerous studies. These studies have concluded that the most negative consequence of unemployment is the loss of self-esteem. Although there is some disagreement over the relative importance of gender in the psychological reaction to long-term unemployment, the bulk of available research confirms that jobless men suffer from poorer emotional and psychological health than unemployed women.

According to the *Journal of Employment Counseling*, a majority of researchers found that the gender of a laid-off worker is a critical factor in the psychological reaction to joblessness. More importantly, several independent studies show that during periods of prolonged unemployment, men report poorer psychological health than laid-off female workers. Researchers also note that jobless men suffered from lower morale, higher stress and fatigue and longer bouts of depression than jobless women.

Although a limited amount of psychological counseling is available to unemployed workers through the state employment and training system, present resources are inadequate. The growing number of jobless Georgians, particularly jobless males, who are more likely to experience poor psychological health, dictates that additional resources be directed to this area. The Georgia Department of Labor must build a stronger, more cooperative relationship with the Georgia Department of Behavioral Health and other mental health providers.

(2) Men are underrepresented in state education and training programs.

According to the National Center for Education Statistics, in 1970 there were 1.5 million fewer women pursuing higher education degrees than men. Thirty-five years later a dramatic demographic shift had occurred. In 2005, there were 2.6 million more women than men enrolled in American colleges and universities.

In 2008, the University System of Georgia (USG) reported a fall enrollment of 282,970 students, comprised of 163,320 females or 57.7 percent and 119,650 males or 42.3 percent. In that same year, credit enrollment in the Technical College System of Georgia totaled 152,911 students, comprised of 95,939 females or 62.7 percent and 56,972 males or 37.3 percent. Gender disparities also exist in Georgia's primary federal/state training program, known as the Workforce Investment Act (WIA). As of June 2009, 11,786 unemployed youth and adults were enrolled in subsidized training programs, 63 percent of the trainees were female and 37 percent were male.

In order to reduce gender disparity in Georgia's education and training system, greater resources must be invested in high school co-enrollment programs, internships, vocational, career and agricultural initiatives that help reduce drop out rates. Strengthening existing recruitment and retention programs at Georgia's two and four-year colleges and universities and technical colleges are critical. The USG's African-American Male Initiative has demonstrated great success by increasing the recruitment, retention and graduation of young black males. This program should be expanded to include young males from other racial and demographic groups.

(3) Men comprise a rising percentage of jobless workers who are at-risk of becoming structurally unemployed.

Rising UI exhaustion rates and longer durations of unemployment are early warning signs of structural unemployment. Structural unemployment is the mismatch of skills in the labor market caused by occupational and geographical immobility, technological, and/or structural changes in the economy. The most glaring examples of this economic conundrum are workers who have lost jobs in the male-dominated American automobile manufacturing industry. Tens of thousands of men and women who worked at General Motors, Chrysler and Ford manufacturing facilities are finding it difficult to secure employment with foreign automobile manufacturers or in related industries.

A growing percentage of jobless Georgians, particularly unemployed males are at-risk of becoming structurally unemployed. The Georgia Department of Labor, WIA training partners and other public and private education and training providers should launch an intensive effort to re-train and improve the skill sets of jobless workers threatened by structural unemployment. Employment, education and training providers should develop and market a broader variety of training and education opportunities in demand occupations that traditionally employ male workers.

More importantly, immediate steps must be taken to encourage unemployed men to pursue careers in non-traditional female-dominated sectors, i.e. nursing and allied health. Federal, state and local policy makers must recognize that the socio-economic pathologies associated with structural unemployment will have broad policy implications for Georgia's 21st century workforce.

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