

Unemployment Relief: Including All of New York’s Workers

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ORDERS FOR NON-ESSENTIAL WORKERS TO STAY AT HOME and the ripple effects of the coronavirus have been felt throughout the New York economy. Over one million New Yorkers have filed for unemployment insurance since the middle of March, when the coronavirus impact was first felt.¹

Unemployed Worker Emergency Relief Fund Projected Spending for New York State

Average for a Single Month

If the Share of Labor Force Collecting Emergency Relief Funds	Number of People Receiving Benefits	Monthly Cost for Unemployment Emergency Relief Fund
10%	53,000	\$172 million
15%	80,000	\$260 million
20%	106,000	\$345 million
25%	133,000	\$432 million
30%	159,000	\$517 million
35%	186,000	\$605 million
40%	212,000	\$689 million
45%	239,000	\$777 million
50%	265,000	\$861 million

Eight Month Total

Collecting Emergency Relief Funds: 8 Month Average	Total Cost
10%	\$1.4 billion
15%	\$2.1 billion
20%	\$2.8 billion
25%	\$3.5 billion

Relief of \$750/ week, the equivalent unemployment insurance for typical low-wage workers.

Fiscal Policy Institute analysis. Number of undocumented workers in the New York State labor force is 530,000, according to Center for Migration Studies estimates of undocumented workers in labor force for 2017.

Yet, one group is left behind by both the state’s existing unemployment insurance system and the federal government’s temporary enhancements to that system: undocumented immigrants. There are an estimated 530,000 undocumented immigrants in the New York State labor force. They face the same economic downturn as everyone else. And there is the same logic for making it possible for them to stay at home in this health crisis if they work in restaurants, hotels, or other businesses that are “on pause.” There is a clear need for a state program to take care of these workers until the federal government finds a way to address the overall need for immigration reform.

How much would this cost? For the eight months between April and December 2020, if 10 percent of the state’s undocumented workers collect unemployment insurance it would cost \$1.4 billion. If 25 percent collect benefits, it would cost \$3.5 billion.

This assumes undocumented immigrants receive benefits at the

same rate as other low-wage workers under the current coronavirus unemployment insurance, about \$750 per week.²

Private contributions are welcome to help undocumented immigrants through this difficult time. But addressing the issue earnestly requires a government-scale solution. Anything less will leave undocumented workers stranded and in the process will undermine the purpose of the emergency unemployment insurance: to make sure workers who have lost their jobs can afford to stay at home until the coronavirus threat has subsided.

By David Dyssegaard Kallick and Jonas Shaende.

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¹ The weeks ended March 21, March 28, and April 4 are reported at <https://oui.doleta.gov/unemploy/wkclaims/report.asp>, and the week ended April 11 is reported at <https://www.dol.gov/ui/data.pdf>. The total of initial claims from these four weeks is 1.2 million.

² Note that the number of people collecting unemployment insurance may be lower than the total number of people unemployed, since it is rare in any program for everyone eligible to collect the benefit. In addition, the number of people who will benefit in the full eight months may be far greater than the average, since many people will collect in some months but not in other months.