

## Press Release



# Ending Federal Pandemic Unemployment Compensation and its Effect on Unemployment Claims

PAULINA ENCK | SEPTEMBER 7, 2021

To what extent did the extra \$300 per week in benefits affect claims for unemployment insurance (UI)? In new research, Director of Labor Policy Isabel Soto looks at data from the 24 states that chose to end the Federal Pandemic Unemployment Compensation prior to the program's expiration on September 6 to determine the supplement's impact on UI claims.

Soto's key findings:

- Eliminating the \$300 unemployment supplement is correlated with a 14 percent reduction in initial unemployment claims or around 17,500 fewer claims.
- Eliminating the \$300 unemployment supplement is correlated with a 5 percent reduction in continuing unemployment claims or 47,500 fewer claims, bringing the reduction of total claims to 65,000.
- Reducing total claims does not guarantee a comparable boost in jobs, but the expiration of the pandemic unemployment insurance programs should produce a boost in job creation.

[\*Read the analysis\*](#)