

UNEMPLOYMENT COMPENSATION—
PROPOSALS FOR INCREASED BENEFITS AND
BENEFITS FOR PARTIAL UNEMPLOYMENT

A REPORT

of the

COMMITTEE ON UNEMPLOYMENT
COMPENSATION BENEFITS FOR
PARTIAL UNEMPLOYMENT

of the

JOINT STATE GOVERNMENT COMMISSION



To the

GENERAL ASSEMBLY OF THE
COMMONWEALTH OF PENNSYLVANIA

JOINT STATE GOVERNMENT
COMMISSION
CAPITOL BUILDING
HARRISBURG, PA.

APRIL 10, 1945

JOINT STATE GOVERNMENT COMMISSION

OF

THE GENERAL ASSEMBLY

(Created in 1937, P. L. 2460, as last amended 1943, P. L. 13)

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LETTER OF TRANSMITTAL

To the Members of the General Assembly of the Commonwealth of Pennsylvania:

Under authority of the Act of July 1, 1937, P. L. 2460, (act creating Joint State Government Commission), as last amended by the Act of March 8, 1943, P. L. 13, and pursuant to action of the Joint State Government Commission, I have the honor to submit herewith a report and recommendations of the Committee on Unemployment Compensation Benefits for Partial Unemployment.

IRA T. FISS, *Chairman,*
Joint State Government Commission.

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FOREWORD

Unemployment compensation is a system designed to pay periodic benefits for a limited duration to covered workers unemployed through no fault of their own. The Pennsylvania law, since its enactment, has not provided for the payment of benefits while a worker is partly unemployed and has suffered some loss of earnings. The system designed to pay benefits to a worker while he is partially unemployed is frequently referred to as payments for "partials."

On June 16, 1943, the Joint State Government Commission authorized a study of the payment of unemployment compensation benefits for partial unemployment and on July 16, 1943, the Chairman of the Commission appointed a committee to make the study. The committee was organized on July 28, 1943.

The committee held a number of meetings and conferred with administrators of unemployment compensation in the states of New York, New Jersey and Ohio. The committee also studied the provisions for "partials" in unemployment compensation laws of other states. On December 7, 1943, this committee held a public hearing to which representatives of industry and labor were invited to present their views on the subject. On July 25, 1944, the committee further conferred with representatives of the Tax Advisory Committee studying the subject of unemployment compensation taxes.

In the course of the study, it was disclosed that Pennsylvania is one of the two jurisdictions, out of a total of fifty-one jurisdictions which does not provide unemployment compensation benefits for partial unemployment. There are two methods in effect for the payment of benefits for "partials",—(1) benefits for loss of earnings, and (2) benefits for loss of time (New York being the only state with the "loss of time" plan and West Virginia with a modified "loss of time" plan).

After hearing from the several interested groups and concluding its

visits to nearby states where the two systems were observed in operation, the committee concluded that it had considered the subject sufficiently to reach a decision as to the desirability of incorporating into the Pennsylvania law a provision for paying "partials" on the loss of earnings principle.

The Executive Committee of the Joint State Government Commission, at its meeting on September 12, 1944, authorized the Committee on Unemployment Compensation Benefits for Partial Unemployment to enlarge the scope of its study to include the entire field of unemployment compensation. As a result of such general study, recommendations for the further liberalization of unemployment compensation benefits were adopted by the committee and a list thereof is included in this report. The recommendations were incorporated in Senate Bill No. 41 and subsequently included, with other changes, in Senate Bill No. 658.

In addition thereto, and because of the fact that the Unemployment Compensation Law is constantly in need of revision to meet changing demands, the committee recommended to the Joint State Government Commission that a standing committee be established for the purpose of continuing the general study of unemployment compensation. It was decided that such a committee be maintained not only during the interim between sessions, but during the sessions of the Legislature as well, in order that the General Assembly be afforded an opportunity of being informed constantly of desired changes to the Pennsylvania Unemployment Compensation Law.

The committee acknowledges the generous cooperation rendered by the staff of the commission and by the following:

Honorable William H. Chesnut, Secretary of Labor and Industry.
Thomas J. Donaghy, Administrative Assistant to the Secretary of Labor and Industry.

Frank L. Shallow, Executive Director of the Bureau of Employment and Unemployment Compensation.

Rolland S. Wallis, Director of Research and Statistics of the Bureau of Employment and Unemployment Compensation.

LeRoy Fox, Principal Statistician, Bureau of Employment and Unemployment Compensation.

Chester S. Nagel } Senior Statisticians, Bureau of Employment
James D. Wygant } and Unemployment Compensation.

DAVID P. REESE, JR., Chairman,

*Committee on Unemployment Compensation Benefits
for Partial Unemployment.*

*ALFRED C. ALSPACH

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RECOMMENDATIONS

1. Partials

- (a) Benefits shall be paid to covered employes partially unemployed with respect to any week of less than full time work if the wages paid or payable to him with respect to such week are less than his weekly benefit rate.
 - (b) Benefits payable to such an employe shall be the difference between his regular weekly benefit rate and the wages paid or payable to him plus \$3.00.
 - (c) The Pennsylvania Bureau of Employment and Unemployment Compensation shall design a reporting system for "partials" so that a statement of earnings on the pay envelope, pay check stub, or similar pay voucher with a statement "Less than full time remuneration because of lack of work" shall be sufficient. (This is a recommendation to the Bureau and shall not be included as an amendment to the law.)
2. Increase the maximum weekly benefit amount from \$18.00 to \$20.00.
 3. Increase the maximum duration of payments from 16 weeks to 20 weeks.
 4. Reduce the waiting period from two weeks to one week.
 5. An employe shall qualify for benefits if he earns 30 times his weekly benefit rate instead of \$50 in each of two calendar quarters, as now provided in the law.
 6. An employe shall be denied compensation who is discharged for misconduct connected with his work.
 7. That a permanent committee be set up by the Joint State Government Commission to make studies of various phases of unemployment compensation as the need arises.

PARTIAL UNEMPLOYMENT BENEFITS

Methods of Determining Partial Unemployment Benefits

While unemployment is generally regarded as a complete severance of a worker from his job, close observers of social and economic conditions early came to the realization that there exist different types of unemployment. To the casual onlooker certain of these distinctions may seem to be academic hairsplitting, yet various state legislatures have taken cognizance of these types and given them recognition in their unemployment compensation laws.

Total unemployment is the most familiar type. Here a worker is forced into complete idleness by his employer being unable, due to one cause or another, to give him work. Formerly, when his earnings stopped, he was forced to live entirely on such earnings as he may have saved. Today he may become a recipient of unemployment compensation benefits or be placed on a relief roll. He may occasionally obtain a few hours work at odd jobs or casual labor, but he is nevertheless in the labor market, anxious to obtain suitable work. His income from odd jobs or casual labor may range from a few cents to a few dollars, but it cannot be relied upon since it is dependent largely upon chance.

Another type of unemployment which has become familiar to us in recent years is *partial unemployment*.¹ As the term implies, a worker in partial unemployment is employed at less than the customary scheduled hours during a work week. He may work every day, but for fewer hours; or he may work a full day, but fewer days a week than is customary in the establishment where he is employed. This condition is usually brought about by factors which have forced the employer temporarily to curtail operations. The employer is faced with the alternative either of laying off certain employes for an indefinite period or of adopting a "spread-the-work" policy. The character of some business enterprises are such that the first alternative may be impossible, so that the employer is forced to adopt the second, even though it may be dis-

¹ Variations of partial employment or unemployment exist in a few states. These are known as part-time or part-total. The tendency among the states is to disregard these distinctions and to merge them under the term "partial unemployment."

tasteful both to him and to his employes. Much has been written and said regarding the merits of these two alternatives, but the facts regarding them remain unchanged.

When the several states adopted their original unemployment compensation laws, the majority of them included provisions for the payment of benefits for partial unemployment. Seven states (Massachusetts, Mississippi, Montana, Nebraska, New Jersey, New York and Pennsylvania) omitted such provisions from their laws and, in lieu thereof, authorized studies to be made regarding the subject. In 1939 Massachusetts amended its law to provide for this type of payment, and this state was followed in 1940 by Mississippi, Nebraska and New Jersey. In 1942 New York adopted a unique provision for compensating partial unemployment which will be described later. Today only two states out of the 51 jurisdictions (Montana and Pennsylvania) have laws which do not provide for the payment of this type of benefits.

Arguments for Paying Partial Unemployment Benefits

Chief among the reasons given by proponents of partial unemployment benefits are the following:

1. Employers are assessed contributions for partial employment as well as for full-time employment. Conversely, a portion of the accumulated fund should return to those workers whose income has been partially depleted through no fault of their own.
2. A financial inducement should be given an individual to work short time rather than not to work at all. An unemployment compensation law without provision for compensating partial unemployment can be construed as putting a premium on laziness. A worker might use every effort when unemployed to refrain from accepting odd jobs or partial employment when by so doing he will receive a weekly income less than the weekly benefit amount he would receive for total unemployment.
3. Employers in states which have experience rating provisions in their laws could resort to every legal device which will favor reduction in their contribution rates. Where partial unemployment is uncompensated during a slack season or a period of economic retrenchment, expediency would normally dictate the dismissal or furloughing of certain employes. Realizing

that these out-of-service employes are potential claimants of unemployment benefits, the employer desiring the most favorable contribution rate possible could rearrange his production schedule in such a way that he would be able to retain all his workers on the payroll. However, due to a spreading of the work many of his employes would then be employed for only a few hours each week. This would render them ineligible for total unemployment benefits and, in the absence of payments for partial unemployment, the employer's account would be unscathed. When benefits for partial unemployment do not accompany experience rating, there is a possibility that the latter may have a tendency to nullify the very purpose for which unemployment compensation was established.

4. If legislation is properly drafted, compensation for partial unemployment need not necessarily entail serious difficulties in its administration. Claims can be handled in much the same manner and by the same personnel as those for total unemployment.
5. The funds exist to pay such compensation and can be replenished, under experience rating, in exactly the same manner as when payments are made for total unemployment. Neither the Social Security Board nor any state legislature has recently questioned the ability of a state to compensate this type of unemployment.
6. Neither employers nor employes in those states which have provisions for the compensating of partial unemployment in their laws have condemned such provisions, and in no instance has either group agitated for the repeal of such legislation.

Arguments Against Paying Partial Unemployment Benefits

Those who question the desirability of this type of unemployment compensation point out the following:

1. The payment of partial benefits necessarily adds to the burdens of the administrative agency. The inauguration of such a system automatically increases the claim load and requires additional separate records by reason of certain federal requirements.
2. If such compensation is to be paid on the basis of loss of earnings, an additional burden is placed on employers to provide weekly earnings statements during a period when every effort is being made to reduce the amount of employer reporting and give him needed relief.

3. If partial unemployment is to be compensated on the basis of loss of time, unless each claim is submitted to the employer prior to the payment of benefits, the unsupported statement of a claimant will create an opportunity for fraud far beyond the ability of the administrative agency to detect.
4. The fund may be jeopardized by large industries having fluctuating employment volume whose mode of operation is such that the employer, by spreading the work may create an excessive drain.

Most of the original provisions in the laws pertaining to compensation for partial unemployment were similar in character. Inasmuch as partial unemployment was a fluctuating quantity in any particular week, it was felt that compensation for such unemployment should be on the basis of loss of earnings, rather than loss of time. If during any week an individual's earnings were less than the weekly benefit amount which he would receive for total unemployment, such individual would receive a benefit which would be equal to his weekly benefit amount minus his actual earnings. Minor variations existed in the different state laws regarding the definition of earnings on wages. Some states treated as wages all money earned during a week in excess of \$1; others defined it as earnings in any week in excess of \$2; while others defined it as money earned in excess of \$3. A number of states set the weekly benefit amount for partial unemployment as the difference between the claimant's weekly benefit amount for total unemployment and $\frac{5}{6}$ of his wages.

The majority of the states have from time to time amended their laws with respect to benefits for partial unemployment. The tendency has been in many instances to make no mention whatever of partial benefits in the law but to state that a person unemployed should be paid a weekly benefit amount which would be the difference between wages earned and the weekly benefit amount. The theory which underlies the payment of benefits for partial unemployment is the desire to provide some financial inducement to an individual to work short time rather than not to work at all. As has been stated, one approach to the problem was the compensation for loss of earnings. Two states, however—West Virginia and New York—have discarded the theory of compensation for loss of earnings and have inserted provisions in

their laws to compensate a claimant on his time loss instead of wage loss.

Changes in Concepts and Legislation on Partial Unemployment Benefits

It is interesting to note at this point that no state has ever repealed the provision pertaining to compensation for partial unemployment in its law. All changes so far have been in the direction of administrative simplification.

West Virginia in 1939 changed its method of compensating for partial unemployment. The new plan* provides benefits for any period of less than 50 percent of the normal shift expectancy (that is, the normal full-time week) and payment according to time lost on the basis of an elaborate schedule contained in the law. The dominance of bituminous mining in the state industrial pattern underlay these provisions.

New York, after much study and deliberation, also decided in favor of compensating for loss of time rather than loss of earnings. In the New York law the term "effective day" has been introduced. An effective day, under New York's law, is a day of unemployment in excess of a specific number of qualifying days of unemployment within a given week. Four effective days are equivalent to a week of total unemployment for which compensation is payable. Under this plan* it is not necessary to differentiate between total and partial unemployment. New York also disqualifies a claimant from having any effective days during a calendar week in which he earns more than a maximum amount of \$24.

The adoption of provisions for payments of benefits for partial unemployment created certain administrative problems, many of which the states have attempted to meet by statute. The most important problem was the question of the waiting week. Should a week of partial unemployment be considered the same as a week of total unemployment, or should a ratio be established between the two types of unemployment? The majority of the states make no distinction between

* See Appendix for "Rules and Regulations" and pertinent provisions of the West Virginia Unemployment Compensation Law, page 32.

* See Appendix for "Rules and Regulations" and pertinent provisions of the New York Unemployment Compensation Law, page 27.

partial and total unemployment so far as the serving of waiting weeks is concerned. Ten states, on the other hand, have stipulated that two weeks of partial unemployment shall be the equivalent of one week of total unemployment for waiting-period purposes. A second problem engendered by partials is determining the minimum amount to be paid a claimant at any one time. It is obvious that a claimant for partial benefits may, during a given week, have earned such a sum that his benefit amount for that week will be less than \$1. Certain of the states have stipulated that such claimants will not be paid until they have accumulated benefits amounting to \$2 or more. It can be readily seen that the benefit amount might be so small that the cost of administering the week's benefits would exceed the benefit amount.

As has been stated, two schools of thought exist regarding the compensating of partial unemployment. One holds for the reimbursement for loss of earnings, and this philosophy has been incorporated into the unemployment compensation laws of 47 jurisdictions. The other advocates reimbursement for loss of working time and, while this idea is more recent, it has been adopted by the legislatures of New York and in a modified form in West Virginia. Each school of thought has presented reasons in favor of its own particular scheme. Their validity depends somewhat on the industrial and employment patterns of each state.

A system for compensating partial unemployment should meet three basic tests:

1. It should be simple to administer.
2. It should add as little as possible to the employer's reporting burden.
3. It should be equitable for claimants.

These criteria are claimed by the protagonists of both plans for partial benefits.

Compensation of Partial Unemployment on a Loss-of-Earnings Basis

While the administration of partial benefits on a loss-of-earnings basis is roughly similar in states where it has been adopted, the procedure used by the neighboring state of New Jersey is typical of all. The Unemployment Compensation Commission of that state in "Regu-

lation 24—Payment of Benefits for Partial-Unemployment Compensation” minutely describes the procedure and obligations of employers and claimants in this matter.*

From an examination of the regulation it will be seen that the payment of compensation for partial unemployment on a loss-of-earnings basis will necessitate an employer’s maintaining records in addition to those now required. Without routine evidence of partial unemployment, benefit payments would be long delayed while an army of investigators would be checking and verifying such claims. By the procedure just outlined an employer would have an incentive for accuracy, and fraud should be reduced to a minimum. On the other hand, failure of an employer to do his part should not prevent the worker from presenting his own claim and evidence.

Compensation of Partial Unemployment on a Loss-of-Time Basis

West Virginia in 1939 amended its law so that partial unemployment would be compensated on a loss-of-time basis. In that state an individual is deemed to be “partially unemployed” in any pay period in which the total number of normal shifts available are less than one-half the normal shift expectancy in such period. “Normal shift” is defined as the customary number of hours constituting a full shift at the operation of the claimant’s regular employer. “Normal shift expectancy” is defined as the customary number of shifts or their equivalent that constitute full-time operation of the business in which the claimant is regularly employed.

“Odd job and/or subsidiary work” is also considered partial unemployment in any week in which service of the type described in the preceding paragraph is performed and wages are paid or payable for more than eight hours. “In cases involving partial unemployment as a result of odd job and/or subsidiary work, the pay period, normal shift, normal shift expectancy, and period for filing claim will be such as the Director may by regulation prescribe.”²

The West Virginia Law also contains the unique provision that no partial benefits may be paid if the amount in the unemployment

* See Appendix for “Rules and Regulations” and pertinent provisions of the New Jersey Unemployment Compensation Law, page 28.

² Commerce Clearing House, p. 51,031.

compensation fund falls below \$5,000,000. It is further stipulated when the resumption of such payments may take place.

The eligible individual who claims partial benefits for unemployment is compensated according to a schedule of benefits contained in the statute.

The Director, by regulation, has prescribed that employers shall maintain records which shall include the number of hours and number of normal shifts and fractions thereof; the normal shift expectancy, the scheduled hours, and number of normal shifts and fractions thereof; and the foregoing, applied to each individual worker. An employer is also required "in any pay period in which the number of normal shifts available to an employe are less than one half of the normal shift expectancy, each employing unit is required to deliver to such employe on the pay day of the pay period, or mail to his last known address if delivery is impossible or impracticable, a report of loss of work."³

The West Virginia method for compensating partial unemployment was adopted because it was believed to be equitable and easy to administer in a state where bituminous mining is a large and an important industry. This state has now had four years of experience with this type of partial unemployment benefits.

New York is the most recent addition to the ranks of the states which compensate for partial unemployment. After several years of study,⁴ the investigating committee felt that there was merit in the compensation of partial unemployment on the loss-of-time basis. However, the method adopted for carrying this idea into effect in West Virginia was not used, an entirely new approach being made. In 1942 the New York Legislature adopted what is now known as the "effective-day" plan, and specified that it was to go into operation on November 1 of the same year.

One of the unique features of this plan was that, while partial unemployment was recognized as such, it was to be compensated under a new concept of total unemployment. This eliminated any differentiation between partial and total unemployment.

"Prior to November 30, 1942, benefits were payable with respect

³ See Appendix for West Virginia Regulations XIV, page 32.

⁴ "Report on Partial Unemployment," N. Y. Department of Labor, 1940 and 1941.

to each week in which an individual was totally unemployed. Thereafter, benefits are payable to individuals with respect to each accumulation of four effective days. *An effective day is a day of total unemployment in a week in which an individual had four or more days of total unemployment and did not earn remuneration in excess of \$24.* Only those days of total unemployment in excess of three such days in a week may be counted as effective days. A week means seven consecutive days beginning with Monday.”⁵

For each accumulation of four effective days graduated benefits are paid, depending on the highest quarterly wage received by the claimant during his base period.

The limit to earnings expressed in the law was inserted to prevent highly paid workers from receiving benefits. It is necessary for the agency and the employer to cooperate closely, so that claims may be properly verified.

One weakness in the New York Plan is that only days of total unemployment are taken into consideration. By spreading the work and employing a worker for a fraction of each of four days in a week, an employer can render such a worker ineligible for benefits.

The New York plan has been in effect about two years. Time will indicate how satisfactorily it will operate.

Partial Unemployment in Pennsylvania

The question naturally arises “What would be the ratio of benefits for partial unemployment to those for total unemployment in Pennsylvania?” or, otherwise expressed, “What would it cost the fund in addition to payments now being made?” A definite answer to this question cannot be given at this time. While data are available from other states regarding their experiences in the payment of partial benefits, they cannot safely be applied to estimates for Pennsylvania. For example, in industry “X” in one state, partial benefits in this industry might be 40 percent of all benefits paid to workers in that industry in a given year and in a neighboring state it might be only 5 percent. Industry “Y” might have a low ratio in the first state and a high ratio in the second. Industrial conditions, labor laws, benefit eligibility,

⁵ Commerce Clearing House, p. 35,091.

benefit schedules, and chance factors make these data virtually useless for our purposes.

No records are available which indicate the incidence of compensable partial unemployment in the state. An estimate has been made, based on experience of other states, that in 1941 Pennsylvania would have paid approximately 10 percent more if partial unemployment benefits were in effect.

In estimating the cost of any system of payments for partial unemployment, its interrelationship with the cost of total unemployment compensated at the same time must be taken into account. We refer specifically to the limiting factor of exhaustion of the maximum benefit amount by claimants. In a period of widespread unemployment of long duration the majority of claimants will exhaust their benefit rights through payments for total unemployment. These individuals would get no additional compensation from a system of "partial" benefits. Therefore, only those claimants who would not otherwise exhaust their benefit rights would draw additional benefits from partial unemployment. It is true that many claimants having periods of total and of partial unemployment interspersed would exhaust their benefit rights in a shorter time than under the present benefit provisions in Pennsylvania, but that would not add to the total disbursements from the Fund.

APPENDIX

The following tabulations and citations have been appended to the general statement as information pertinent to an understanding of the present status of partial unemployment compensation.

TABLE 1

RATIO OF WEEKS OF TOTAL UNEMPLOYMENT TO WEEKS OF PARTIAL UNEMPLOYMENT COMPENSATED DURING YEARS 1938-1942 FOR ALL AGENCIES COMPENSATING CONCURRENTLY BOTH TYPES OF UNEMPLOYMENT

<i>Year</i>	(1) <i>Total Unem- ployment</i>	(2) <i>Partial Unem- ployment</i>	(3) <i>Percent Ratio (2) ÷ (1)</i>
<i>Total</i>	112,326,846	15,569,341	13.8
1938	15,402,457	2,445,395	15.9
1939	23,757,826	3,272,437	13.8
1940	29,047,356	4,805,000	16.5
1941	20,992,794	2,777,403	13.2
1942	23,126,413	2,269,106	9.8
1943	3,865,569	361,252	9.3

TABLE 2

**AVERAGE EMPLOYMENT OF COVERED WORKERS IN
THE UNITED STATES DURING 1939 AND IN PENN-
SYLVANIA DURING 1939 AND 1942**

<i>Industry</i>	<i>United States</i>		<i>Pennsylvania</i>			
	1939		1939		1942	
	<i>Number in Thousands</i>	<i>Percent of Total</i>	<i>Number in Thousands</i>	<i>Percent of Total</i>	<i>Number in Thousands</i>	<i>Percent of Total</i>
<i>All Industries</i>	21,397	100.0	2,186	100.0	2,798	100.0
Mining—Total	823	3.9	200	9.1	213	7.5
Anthracite	88	0.4	88	4.0	85	3.0
Bituminous	388	1.8	98	4.5	111	4.0
Construction	960	4.5	79	3.6	96	3.4
Manufacturing—Total .	9,732	45.4	1,010	46.2	1,512	54.0
Ordnance .....	...	...	...	...	31	1.1
Food Products	1,162	5.4	76	3.5	86	3.1
Textiles	1,201	5.6	162	7.4	140	5.0
Apparel and Other Finished Fabrics ..	874	4.1	102	4.7	124	4.4
Furniture and Fin- ished Lumber	369	1.7	22	1.0	35	1.3
Paper, Printing and Publishing	842	3.9	74	3.4	55	2.0
Leather and Its Prod- ucts	370	1.7	29	1.3	30	1.1
Stone, Clay and Glass Iron and Steel Prod- ucts	329	1.5	54	2.5	68	2.4
Iron and Steel Prod- ucts	1,148	5.4	236	10.8	389	13.9
Machinery	1,046	4.9	115	5.3	212	7.6
Transportation and Communication ...	1,614	7.5	122	5.6	142	5.1
Trade, Wholesale and Retail	5,374	25.2	524	24.0	553	19.8
Finance and Other Service	2,779	13.0	250	11.4	100	3.6

TABLE 3

ESTIMATE BY INDUSTRY OF PARTIAL UNEMPLOYMENT POTENTIALLY COMPENSABLE BY PENNSYLVANIA IN 1943 UNDER A "LOSS-OF-EARNINGS" PLAN ¹

<i>Industry</i>	<i>Weeks of Total Unemployment Compensated by Pennsylvania 1943</i>	<i>U. S. Ratio of Total Unemployment to Partial Unemployment Compensated² Percent 1941</i>	<i>Estimated Weeks of Partial Unemployment Compensable in Pennsylvania 1943</i>
<i>All Industries</i>	<u>331,344</u>	....	<u>31,755</u> ³
<i>Construction</i>	<u>41,617</u>	2.8	<u>1,165</u>
<i>All Mining</i>	<u>52,154</u>	11.2	<u>5,841</u>
Soft-Coal Mining	10,272	17.4	1,787
<i>All Manufacturing</i>	<u>135,421</u>	<u>13.5</u>	<u>18,282</u>
Food Products	9,609	12.2	1,172
Textiles	17,893	9.6	1,718
Apparel and Other Finished Fabrics	26,640	34.8	9,271
Furniture and Finished Lumber Products	1,491	11.5	171
Printing and Publishing	2,618	9.2	241
Leather and Its Products	2,319	40.3	935
Stone, Clay and Glass Products..	11,730	8.8	1,032
Iron and Steel Products	21,239	8.8	1,869
Electrical Machinery	6,461	12.6	814
<i>Transportation and Communication</i>	8,781	8.7	764
<i>Trade (Wholesale and Retail)</i>	51,788	7.4	3,832
<i>Finance and Other Service</i>	41,583	4.5	1,871

¹ Based on actual total unemployment compensated by Pennsylvania and ratio of partial unemployment compensated in other states.

² Part-total unemployment excluded.

³ Pennsylvania ratio—9.6 percent.

TABLE 4

WEEKS COMPENSATED FOR PARTIAL¹ UNEMPLOYMENT EXPRESSED AS PERCENTAGE
OF ALL WEEKS COMPENSATED FOR SELECTED INDUSTRIES IN 42 STATES
AND FOR SELECTED STATES, 1941

Industry	Total	Selected States										
	42 States	Ala.	Conn.	Ill.	Ind.	Md.	Mass.	Mich.	Mo.	N. J.	N. Car.	W. Va.
Total	8.6	1.6	10.8	15.2	15.3	12.8	7.3	6.7	10.2	10.2	5.1	16.2
All Mining	10.1	2.0	5.2	21.9	20.2	27.8	4.9	8.7	5.3	2.6	3.4	15.5
Soft-Coal Mining	14.8	2.4	....	24.5	21.9	30.4	....	27.7	6.3	....	13.7	15.9
All Manufacturing	11.9	2.0	15.0	25.0	16.9	16.2	9.8	8.1	18.2	13.6	6.5	29.2
Manufacturing												
Food Products	10.9	2.1	4.4	14.3	17.5	14.9	7.0	5.4	4.2	5.3	2.8	4.1
Textiles	8.8	1.2	21.0	15.4	28.6	10.4	5.6	6.4	4.8	19.0	8.4	38.1
Apparel and Other Finished Fabric Products	25.8	6.0	30.1	54.8	35.2	28.3	9.3	8.6	13.4	21.8	6.7	14.5
Paper and Allied Products	6.5	0.1	5.3	9.1	18.7	7.2	5.3	4.5	4.5	3.5	1.5	18.9
Furniture and Finished Lumber Products ..	10.3	10.8	2.3	23.3	19.1	9.5	6.6	7.2	3.7	7.5	5.0	21.6
Printing and Publishing	9.2	4.8	7.5	12.2	17.0	8.3	6.0	8.6	9.0	8.9	2.6	12.7
Leather and Its Products	28.7	....	6.3	46.2	13.4	28.6	21.4	2.3	47.7	9.2	0.2	40.7
Stone, Clay and Glass Products	8.1	2.2	3.2	12.6	21.5	9.0	3.1	2.6	5.8	4.4	3.1	27.2
Iron and Steel Products	8.1	3.1	2.1	8.7	10.8	4.0	2.6	4.7	4.9	4.6	3.3	50.4
Electrical Machinery	11.2	....	1.8	22.9	13.0	0.4	3.4	5.1	1.4	7.6	3.8	4.1

¹ Excluding part-total unemployment for all agencies except Indiana.

TABLE 5
AVERAGE EMPLOYMENT AND WEEKS OF PARTIAL UN-
EMPLOYMENT COMPENSATED; PERCENTAGE
DISTRIBUTION BY INDUSTRY

<i>Industry</i>	<i>Average Employment 1939</i>	<i>Weeks of Partial Unemployment Compensated¹</i>	
		<i>1940</i>	<i>1941</i>
ALL INDUSTRIES:			
<i>Total Number</i>	21,397,000	1,526,557 ²	1,812,196 ³
	<i>Percentage of All Industries</i>		
Soft-Coal Mining	1.8	14.0	7.3
Manufacturing of:			
Food Products	5.4	5.6	12.3
Textiles	5.6	9.2	7.0
Apparel and Other Finished Fabrics.....	4.1	23.3	22.6
Lumber, Basic and Finished Products of Wood	3.6	3.9	3.9
Leather and its Products	1.7	15.8	8.3
Iron and Steel Products	5.4	3.4	2.3
Other Products	21.7	10.3	12.3
All Other Industry	52.5	14.5	24.0

¹ Excluding part-total unemployment.

² In 26 jurisdictions.

³ In 42 jurisdictions.

TABLE 6

COMPARISON OF STATUTORY PROVISIONS OF CERTAIN STATES AS TO THE COMPENSATION OF PARTIAL UNEMPLOYMENT

State	Year Adopted	Partial Benefits For Loss of Earnings	Partial Benefits For Loss of Time	Waiting Weeks Total Benefits	Waiting Weeks Partial Benefits	Amount of Partial Benefits Weekly Benefit Amount Less Earnings in Excess of			Partial of Total Benefits Paid for each Accumulation of 4 Effective Days ⁵
						\$2.00	\$3.00	All Wages ⁶	
California	1935	X	.....	2	2	....	....	X	.....
Illinois	1937	X	.....	1	2	X	....	....	.....
Indiana	1936	X	.....	1	2	....	....	X	.....
Iowa	1936	X	.....	2	3	X	....	....	.....
Kansas	1937	X	.....	1	2	X	....	....	.....
Massachusetts	1939	X	.....	1	3	....	....	X	.....
Michigan	1936	X	.....	1	4	....	X	....	.....
New Jersey	1940	X	.....	1	2	....	X	....	.....
New York	1942	....	X	1	1	....	....	....	X
Ohio	1936	X	.....	....	2	X	....	....	.....

¹ Waiting period consists of eight effective days.

² No difference between partial and total unemployment.

³ Two weeks partial unemployment equals one week of total.

⁴ Must be totally unemployed in waiting week or earned less than 75 percent of weekly benefit amount.

⁵ "Effective day" means a full day of total unemployment in excess of three days of total unemployment in a given week.

⁶ For example, if an individual in Illinois earned \$10 in a certain week and his weekly benefit amount would be \$15, he would receive as a partial benefit \$15—(\$10 —\$2), or \$7. In New Jersey, similarly, he would receive \$15—(\$10 —\$3), or \$8; and in California, \$15—\$10, or \$5.

NEW YORK—RULES AND REGULATIONS

UI Regulation 41—Reporting by Benefit Claimants

SECTION 1. Each claimant shall report and certify to his unemployment, at specified days and hours established for him by the field office of the Division of Placement and Unemployment Insurance during the course of each week following the termination of a statutory week in which he suffered more than three days of total unemployment and did not earn more than \$24 and at such other times as such office may direct.

SECTION 2. Such reports shall be made in person unless the privilege of mail certification has been granted upon application, to a claimant who resides at a point which is so removed from the nearest field office or point of itinerant service that the fare for a round trip by any common conveyance is 50¢ or more, or which is not served by any common conveyance. Such claimant shall, however, report in person at the field office where his claim for benefits is on file at such days and hours as may be required by such office, and shall observe all reporting requirements pertaining to mail certification.

SECTION 3. A claimant shall present his identification form each time he reports in person.

SECTION 4. If a claimant fails to report as required following the statutory week in which he suffered more than three days of total unemployment, such days shall not be registered as days of total unemployment unless he appears in person at a field office within six months following the date on which he failed to report and satisfies the Commissioner that he was totally unemployed on such days.

If circumstances appear to make it impossible for the claimant to report in person within such six months period, he may be excused from doing so upon application filed before the expiration of such period in the field office where his claim is on file, provided he shows to the Commissioner's satisfaction that he will be unable to report in person within this period. In such event special reporting hours, allowing reporting in person, may be provided or if this be impossible certification by mail may be permitted.

SECTION 5. A claimant shall notify the field office where his claim for benefits is on file of any change of address not later than the next time he is required to report.

NEW YORK LAW

SEC. 523. "Effective day" means a full day of total unemployment provided such day falls within a week in which a claimant had four or more days of total unemployment and provided further that only those days of total unemployment in excess of three days within such week are deemed "effective days." No effective day is deemed to occur in a week in which the claimant has days of employment for which he is paid remuneration exceeding an aggregate of twenty-four dollars. A claimant who is employed on a shift continuing through midnight is deemed to have been employed on the day beginning before midnight with respect to such shift.

SEC. 590.3. Benefits shall be paid only for each accumulation of four effective days which need not be consecutive.

NEW JERSEY—RULES AND REGULATIONS

24.01.—*Definitions*: (a) Partially Unemployed Individual: A partially unemployed individual is one who during a particular week (as defined in Regulation 22.01 (a) and (e)) (1) earned less than an amount equal to his weekly benefit rate plus \$3; (2) was employed by regular employer; and (3) worked less than his normal customary full-time hours for such regular employer because of lack of full-time work.

24.02.—*Employer Records in Connection with Partial Unemployment*: In addition to the requirements set forth in Regulations 5.01 and 5.02, each employer shall keep his payroll records in such form that it would be possible from an inspection thereof to determine, with respect to each worker in his employ who may be eligible for partial benefits:

- (a) Remuneration for each pay-period week, or, failing that, for any seven-consecutive-day period;
- (b) Whether any such period was a week of less than full-time work;
- (c) Time lost, if any, during such week when work was available.

24.03.—*Employer Responsibility in the Initiation of an Initial Claim for Partial Unemployment*: (a) With respect to any week in which an employer has furnished any worker in his employ less than

full-time work, and for which such worker has earned less than \$21 with such employer, the employer shall give each such worker, no later than the time that payments for such week is due, a copy of Form B-10 (Preliminary Information Record), unless such form has been previously given to such worker within his current benefit year.

(b) Upon the filing of a first claim for partial benefits in any benefit year the Commission shall promptly notify the claimant named thereon of his potential rights to partial benefits, and shall notify his employer of the date of such individual's benefit year.

24.04.—*Employer to Furnish Evidence of Weekly Partial Unemployment*: No later than the time when payment is due to any individual in his employ for remuneration for any week of less than full-time work, an employer shall issue in writing a statement with respect to such week which shall show the following information:

- (a) The name and address of the employer;
- (b) The name of the worker;
- (c) The date of the last day of such week;
- (d) The amount of remuneration for such week;
- (e) A notation to the effect that such worker earned "less than full-time remuneration because of lack of work;" such notation to be followed by the signature (actual or facsimile) of the employer or his authorized agent or other positive identification of the authority supplying the evidence.

Such statement shall be issued to the worker in the form of a pay envelope, pay check stub, copy of pay check, or similar pay voucher; provided that if it is shown to the satisfaction of the Commission that the issuance of the statement in this manner is unduly burdensome, or that the pay period of the employer does not coincide with the benefit week of the worker, such statement shall be issued on such form and in such manner as the Commission may require.

24.05.—*Registration and Filing of Claims for Partial Unemployment*: A claim for benefits filed by any individual in person at any local employment office in New Jersey shall constitute such individual's notice of unemployment, registration for work and claim for benefits or waiting period credit, with respect to each such week of partial un-

employment covered by the claim. Such claim will not be valid if filed 28 or more days after the individual has been furnished by his employer with information as to his earnings in any such week as provided in Regulation 24.04, except that the Commission may, at its discretion, extend the period of validity if it is found desirable.

NEW JERSEY LAW

SEC. 43:21-3 (b) Each eligible individual who is unemployed (as defined in subsection (m) of section 43:21-19 of this chapter) in any week shall be paid with respect to such week (except as to final payment) an amount equal to his weekly benefit rate less any remuneration in excess of three dollars (\$3.00) paid or payable to him for such week; provided that such amount shall be computed to the next highest multiple of one dollar (\$1.00), if not already a multiple thereof.

OHIO—RULES AND REGULATIONS

401.—Total Unemployment

An individual who is separated from his employment, either (a) for an indefinite period or (b) permanently or (c) for a definite period, is considered totally unemployed.

401.1.—*Partial Employment (Unemployment)*.—An individual is partially unemployed with respect to any particular week in which he (a) earned less than his weekly benefit amount, (b) was employed by his regular employer and (c) was involuntarily employed due to loss of work.

* * *

408.—*Time Limitation for Partial Unemployment*.—With respect to an individual who claims waiting period or benefits for a week or partial unemployment such claim must be made not later than the fifth week after the week in which he has been furnished by his employer with a notice of potential rights to benefits or notice of his earnings during such week of partial unemployment. At the time of filing an original or any continued claim such individual shall present to the local employment office the notice of potential rights to benefits or notice of his earnings furnished by him by his employer. However, inability of the individual to obtain such reports shall not prejudice his rights to benefits.

409.—*Exception to Time Limitation for Partial Unemployment.*—

Notwithstanding the provision of Paragraph 408, if the Bureau finds that the failure of any individual to file a claim for partial unemployment within the time set forth in Paragraph 408 was due (a) to failure of the employer to furnish him with a notice of potential rights to benefits or notice of his earnings as required by the rules and regulations of the Bureau, (b) to failure of the Bureau to discharge its responsibilities promptly in connection with the administration of partial unemployment benefits or (c) coercion or intimidation exercised to prevent the prompt filing of such claim, the period during which such claim may be filed may be extended to not less than one week after the individual has received appropriate notice of his potential rights to benefits or his earnings for such week. In no instance shall a claim for a week of partial unemployment be valid if claimed later than thirteen weeks subsequent to the end of an actual or potential benefit year during which such week of partial unemployment occurred.

* * *

418.—Partial Benefits

In determining the amount of benefits an individual is entitled to receive for any week of partial unemployment under the Law, all remuneration payable to such individual during such week for or from personal services must be considered. Income from self-employment or compensation received as the result of labor for which the worker is paid directly, earnings from WPA, NYA, CCC, Militia of the State of Ohio, duties as an elective or appointed public official, or picket duty, are considered earnings. Income received in the form of direct relief shall not be considered remuneration.

418.1.—*Weekly Earnings in Excess of \$2.00.*—In determining the benefit amount for a week of partial unemployment only the remuneration which is in excess of \$2.00 is considered. For example: An individual who has a weekly benefit amount of \$11.00 and has reduced earnings due to involuntary unemployment during a week amounting to \$6.00 is entitled to benefits of \$7.00.

OHIO LAW

Benefits for Partial Unemployment

SEC. 1345-8. (c) Benefits shall be payable to each partially unemployed individual otherwise eligible on account of each week of

involuntary partial unemployment after the specified waiting period, in an amount equal to his weekly benefit amount less that part of the remuneration payable to him with respect to such week which is in excess of \$2.

WEST VIRGINIA—RULES AND REGULATIONS

Regulation XIV

(a) Within six weeks immediately following date of delivery of the loss of work report to an individual by his employer the individual may file claim by reporting to the local office and presenting his loss of work report, and shall then be paid benefits for such partial unemployment in accordance with the provisions as set forth in this section of the law. If good cause be shown for failure to file a claim for benefits for partial unemployment within the period above mentioned, then an individual may file his claim for such benefits in the manner aforesaid within one week after he is appropriately notified of his potential rights to benefits and of the lack of work available in any pay period that would make him eligible for benefits, provided, however, that such filing will not be permitted after the 13 week period subsequent to the end of the benefit year during which such period of partial unemployment occurred. Failure to file claim for benefits within the 6 week period aforesaid shall be deemed to be for good cause if due to failure on the part of the employer to comply with requirements relating to partial unemployment, to coercion or intimidation exercised by the employer to prevent the prompt filing of a claim for partial unemployment, or to a failure by the agency to discharge its responsibilities in connection with partial unemployment.

(b) If the normal shifts available for an individual are less than one-half of normal shift expectancy in any pay period and he fails to receive on the regular pay day of the pay period a loss of work report, he shall request same from his employer before filing claim for benefits for partial unemployment for the pay period. If he has lost his loss of work report, he shall request a copy from his employer before filing a claim.

(c) An individual shall not be rendered ineligible to receive partial benefits by reason of being employed at the time claim for partial benefits is filed, and shall not be required to register for work and

make reports at any employment office, and shall not be required to serve a waiting period.

(d) There shall be deducted from the amount to be paid to an individual as partial benefits for any pay period; (1) five benefit units for each week of total benefits paid or payable for weeks of total unemployment during such pay period. (2) Five benefit units for each week of waiting period claimed and allowed to claimant during a period of total unemployment occurring in such pay period.

WEST VIRGINIA LAW

Rate of Benefit; Partial Unemployment

SEC. 11. An eligible individual who is partially unemployed in any pay period shall, upon claim therefor filed within such time and in such manner as the director may by regulation prescribe, be paid benefits for such partial unemployment in an amount for such pay period in accordance with his wage class and the number of normal shifts or their equivalent, during the pay period, that no work was available as shown in Table B in this paragraph hereinafter contained, less any benefits paid or payable and any waiting period credit allowed to such individual for total unemployment in such pay period. Such partial benefits shall be paid without regard to the current employment status of such individual and shall be paid without regard to the provisions of sub-sections one, three and four of section one of this article.

TABLE B—WEST VIRGINIA

If the total work available during a pay period is less than one-half of the normal shift expectancy during such pay period, the claimant is entitled to receive as partial benefit for the pay period the amount appearing opposite his wage class in the column headed by the number representing the difference between normal shift expectancy and double the number of full shifts and fractions thereof that work was available for the claimant during such pay period. If the number representing such difference is greater than twelve, the amount of benefit payable will be the amount obtained by multiplying such number by the benefit unit appearing on the line opposite the claimant's wage class.

	<i>Wage Class</i>	<i>Wages in Base Period</i>	<i>Benefit Unit</i>	AMOUNT OF BENEFITS PAYABLE												
	<i>Column</i>	<i>Column</i>	<i>Column</i>	1	2	3	4	5	6	7	8	9	10	11	12	
[36]	1	\$250	\$399.99	\$1.40	\$1.40	\$2.80	\$4.20	\$5.60	\$7.00	\$8.40	\$9.80	\$11.20	\$12.60	\$14.00	\$15.40	\$16.80
	2	400	499.99	1.70	1.70	3.40	5.10	6.80	8.50	10.20	11.90	13.60	15.30	17.00	18.70	20.40
	3	500	599.99	1.90	1.90	3.80	5.70	7.60	9.50	11.40	13.30	15.20	17.10	19.00	20.90	22.80
	4	600	699.99	2.20	2.20	4.40	6.60	8.80	11.00	13.20	15.40	17.60	19.80	22.00	24.20	26.40
	5	700	749.99	2.30	2.30	4.60	6.90	9.20	11.50	13.80	16.10	18.40	20.70	23.00	25.30	27.60
	6	750	799.99	2.40	2.40	4.80	7.20	9.60	12.00	14.40	16.80	19.20	21.60	24.00	26.40	28.80
	7	800	849.99	2.50	2.50	5.00	7.50	10.00	12.50	15.00	17.50	20.00	22.50	25.00	27.50	30.00
	8	850	899.99	2.60	2.60	5.20	7.80	10.40	13.00	15.60	18.20	20.80	23.40	26.00	28.60	31.20
	9	900	949.99	2.80	2.80	5.60	8.40	11.20	14.00	16.80	19.60	22.40	25.20	28.00	30.80	33.60
	10	950	999.99	2.90	2.90	5.80	8.70	11.60	14.50	17.40	20.30	23.20	26.10	29.00	31.90	34.80
	11	1000	1049.99	3.00	3.00	6.00	9.00	12.00	15.00	18.00	21.00	24.00	27.00	30.00	33.00	36.00
	12	1050	1099.99	3.10	3.10	6.20	9.30	12.40	15.50	18.60	21.70	24.80	27.90	31.00	34.10	37.20
	13	1100	1149.99	3.20	3.20	6.40	9.60	12.80	16.00	19.20	22.40	25.60	28.80	32.00	35.20	38.40
	14	1150	1149.99	3.40	3.40	6.80	10.20	13.60	17.00	20.40	23.80	27.20	30.60	34.00	37.40	40.80
	15	1200	1249.99	3.50	3.50	7.00	10.50	14.00	17.50	21.00	24.50	28.00	31.50	35.00	38.50	42.00
	16	1250 and over		3.00	3.60	7.20	10.80	14.40	18.00	21.60	25.20	28.80	32.40	36.00	39.60	43.20