

be glad to answer it. That reflects the old way of thinking, you know, we're coming out of a recession, therefore we don't need a stimulus package. It overlooks the fact that there are now 3 million jobs less in this economy than there would be if we were in a normal recovery, that we now have fewer nonfarm payroll jobs today than we did 2 years ago—3 years ago, 646,000 fewer jobs than in January of 1990.

Let me make this announcement about unemployment, and then I'll answer a couple of more questions on this.

Unemployment

You all know that we've been here working every day for hours and hours, putting together this economic package designed to increase income and generate jobs and reduce the deficit.

Before we begin our next meeting, I have two things that I want to say: First, despite these encouraging statistics about the increased productivity, there are still millions of Americans who want to go to work to support their families, but they can't find jobs. The unemployment rate, indeed, is 7.1 percent. It's been above 7 percent for 14 months and is now higher than it was at the so-called bottom of this recession.

Secondly, no short-term solution to the problems of the unemployed is adequate. Many unemployed workers are what we call "permanently displaced." And they need much better access to reemployment services that will provide them the information and the changing skills necessary to compete in the changing world. The old ways of doing business are simply not good enough anymore. Unemployment compensation must now be both a short-term lifeline for workers and a long-term link to the skills that it will take for them to get where they want to be, back in the work force.

Interestingly enough, Secretary of Labor Reich just showed me this little chart which makes the point painfully well. In the last four recessions, 56 percent of the workers laid off did not think they would get their jobs back; 44 percent did. In this recession, 86 percent of the workers don't believe they're going to get their jobs back, and only 14 percent think they will. That means that we need a much stronger plan to create new jobs and an aggressive effort at unemployment compensation that does more than just pay.

Today I want to announce a two-part initiative. First, I'm directing the Department of

Labor to pursue legislation to extend the emergency unemployment compensation program for 7 months beyond March 6th, the date set for its expiration. I'm very pleased to also announce that this package will include reforms to the unemployment insurance program that will dramatically improve reemployment services available to structurally unemployed workers.

The first step is to provide the critical link between permanently displaced workers and services to help them find the jobs. Using the data that is now routinely collected when an unemployed worker files a claim, individuals can be profiled by the 5th week of their unemployment to determine their need for reemployment assistance, and a referral for appropriate services can then be made. Recently, a number of demonstration projects, particularly the New Jersey Re-Employment Project, showed that this kind of work and referral can significantly reduce the time that workers spend unemployed, as well as raise their earnings once they do go back to work. And of course, that means that that will reduce State unemployment insurance costs and costs to the Federal Treasury.

I will say again: I know the economic upturn looks good in terms of the big statistics, but the unemployment rate is higher than it was at the bottom of the recession. There are fewer jobs than there were 3 years ago this month. We are 3 million jobs below where we would be in a normal recovery at this time. So we need this unemployment extension, and we need the economic stimulus program that I will propose when the Congress comes back into session.

Stimulus Package

Q. Have you made your decision on that stimulus program, and have you ruled out anything except the COLA on the Social Security?

The President. I have made the decision on the general outline of the stimulus program, and I have made a lot of the specific decisions within it, but we're going to go back over it all one more time to refine it. I have worked very hard on the deficit reduction package, and I'll have more to say about that on the 17th.

Kimba Wood

Q. Mr. President, a lot of groups feel that there is a double standard here on the gender issue, because Kimba Wood was disqualified even though she had paid Social Security, but