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When the Paycheck Stops: An AFL-CIO Survival Guide to Unemployment

AFL-CIO

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When the Paycheck Stops: An AFL-CIO Survival Guide to Unemployment

Abstract
This brochure: When the Paycheck Stops: An AFL-CIO Survival Guide to Unemployment, lists resources, advice, and tips on surviving when a worker experiences a loss of employment.

Keywords
unions, labor movement, organizing, representation, AFL-CIO, unemployment, resources

Comments
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Surviving Unemployment

The World Did Not End

We take pride in our skills. Our work provides for our families. Our jobs are a vital part of how we feel about ourselves. That’s why losing your job is traumatic—whether it means temporarily losing the entire family income or a part of it.

Unemployment is difficult and will change the way you live. But it’s not the end of the world. By knowing where to turn and taking control of your situation, you can survive unemployment and reduce the impact of temporary joblessness on your family.

Talk to Your Family

Unemployment is tough on the whole family. Your spouse and children feel helpless. Talk out your problems and plan together. Devise your unemployment situation and include them in developing your plans to deal with it.

It helps to give each member of the family some positive steps they can take to help. By sharing the burden and pulling together, members of a family grow closer together and draw strength from one another. A professional family counselor may be helpful.

Turn to Your Union for Help

Your union can help you when times are hard. Your union representative, AFL-CIO community services liaison, labor agency representative, or UGAM activist has information on assistance programs and services available in your community. They can explain the eligibility requirements, benefits, applications processes and other facts you need to know. Call your AFL-CIO central labor council for information.

Get the Help You Need…You’ve Earned It

While you were working, you helped to pay for public programs through your taxes, and for voluntary agency services through contributions to your local United Way or other community organizations. Now you need a little help of your own. Your union representative can let you know what union, company or public benefits you may be eligible for, and advise you on how to keep your health insurance after you are laid off. Call your AFL-CIO central labor council for information.

Online Resources for Help

- www.workingforamerica.org
- The People Who Help—www.aflcio.org
- When the Paycheck Stops Manual—www.aflcio.org
- When the Paycheck Stops Brochure (English)—www.aflcio.org
- When the Paycheck Stops Brochure (Spanish)—www.aflcio.org
- National Employment Law Project’s website for unemployed workers—www.unemploymentcenter.org
- Unemployment Compensation—www.oms.okea.gov
- Trade Adjustment Assistance (TAA)—www.doleta.gov/trademass/index.cfm
- America’s Service Locator (to find the closest one-stop center)—www.servicelocator.org

When The Paycheck Stops

An AFL-CIO Survival Guide to Unemployment

Your Best Resource is Your Union

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- www.workingforamerica.org
- The People Who Help—www.aflcio.org
- When the Paycheck Stops Manual—www.aflcio.org
- When the Paycheck Stops Brochure (English)—www.aflcio.org
- When the Paycheck Stops Brochure (Spanish)—www.aflcio.org
- National Employment Law Project’s website for unemployed workers—www.unemploymentcenter.org
- Unemployment Compensation—www.oms.okea.gov
- Trade Adjustment Assistance (TAA)—www.doleta.gov/trademass/index.cfm
- America’s Service Locator (to find the closest one-stop center)—www.servicelocator.org

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Taking Charge of Personal Finances

Financial Action Plan

1. Take Stock of Your Complete Household Budget
2. List Assets
3. Set Priorities
4. Make a List of Creditors
5. Refinance Your Credit
6. Pay What You Can
7. Stay in Touch with Creditors
8. Check Your Bank Account for Credit Purchases
9. Reduce Household Expenses
10. Check Into Other Financial Resources

Step 1 Prepare a Complete Household Budget

Getting control of your personal finances is important to survive the economic downturn. A household budget worksheet to see where you spend your money each month, how much you earn, and what you pay can be a family project.

Your budget expenses should include:
- Fixed expenses (mortgage, rent, taxes, insurance, loans, installment payments, credit card payments, child support and other fixed monthly payments)
- Variable expenses (food, gas, repairs, taxes, prescriptions, medications and child care)
- Future expenses (income property tax and other outstanding debts)

Your budgeted income should include:
- Income
- Interest
- Dividends
- Pension contributions
- Other regular income

Step 2 List Assets

Other assets may include:
- Cash value of insurance
- Prepaid burial or funeral plan
- Equity in your home (difference between the value of your home and the amount you owe on it)
- Value of vehicles, boat, R.V., etc.

Step 3 Set Priorities for Your Expenses

List payments in order of importance. You will help you pay first the things that are most important. The most important will be the things you can’t live without like food, utilities, health care, and child support or alimony payments. The other things are also a high priority.

Step 4 Make a Complete List of Creditors

List the following information for each creditor:
- Name of the creditor
- Address of the creditor
- Phone number and address of the contact person

Step 5 Notify Your Creditors Before You Get Behind

Tell your creditors about your situation before it gets out of hand. You can save yourself a lot of trouble knowing about your situation before being turned over to a collection agency.

Step 6 Stay in Touch with Creditors

After your first letter, keep in regular contact with your creditors. This reassures them, shows you are responsible about paying them, and may keep them from harassing you.

Step 7 Adjust Your Spending—Keep in Line with Your Income

This keeps your covenants balance sheet on top of your income, so you can look at it regularly and let creditors know you are making a good effort. Partial payment may keep your account from being turned over to a collection agency.

Step 8 Stop Credit Purchases

Stop using all of your credit cards. Interest on most credit purchases is extremely high, if you have advance warning that you’ll use this credit card, try to make larger payments to reduce the balance you owe.

Step 9 Reduce Household Expenses

With your family, plan reduc- tion strategies and expenses to stay within your budget.

To cut your food costs:
- Plan less expensive meals—use leftovers and prepare snacks from scratch

Step 10 Sell What You Don’t Need

Consider selling that extra refrigerator, washing machine or old TV that probably won’t be sold or traded unless you really change the way you live.

IMPORTANT: Don’t Ignore Your Mail!

Sometimes trouble comes because folks ignore government or creditor notices. This only makes things worse when you get behind. Creditors want, pay something regular.

Step 11 Check into Other Financial Resources

- Life insurance—Review your policy or talk to your insurance agent to see whether you need to increase your coverage.
- Pension funds—Talk to your union representative or employer to see whether you are owed a refund on your pension fund contributions or from other company funds.
- Tax returns—You may be able to lower your income by taking advantage of your 401(k) or Tax-Deferred Accounts (TDA)

Job Search Action Plan

1. Take Stock of Yourself

Find out what job skills you’ve developed. What skills have you been developing recently?

2. Find Out Who’s Hiring

Write your employer and any previous employers. It will help to remind them of the skills you can offer and in filling out job applications.

3. Prepare for the Interview

- Check your appearance:
  - Personal hygiene
  - Clothing
  - Hair
  - Make-up
- Tell your interviewer about your recent career, including the type of work you do now.

Remember: It’s up to you to convince the interviewer you have the skills to do the job and the work you want.

When filling out a job application:
- Look over the entire form carefully
- Write neatly
- Sign the application in blue or black ink
- Be sure to sign your name, address and Social Security number
- Answer long questions in a boxed in list
- Make clear that all the information you provide is accurate and complete
- If you are applying for a job to help you remember addresses, mileage, phone numbers, dates
- If completing the application, double-check to see that everything is correct
- Do your own interview:
  - 12:00, look alert and talk at eye level
- When answering questions, be honest, to the point and cordial

Send a thank you letter to the interviewer after the interview.