

Collection #
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**INDIANA UNEMPLOYMENT COMPENSATION DIVISION
COLLECTION
1938**

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Processed by

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COLLECTION INFORMATION

VOLUME OF
COLLECTION: 1 folder

COLLECTION
DATES: 1938

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NOTES:

HISTORICAL SKETCH

Indiana's Unemployment Compensation Division began its function on 1 April 1938. With a \$26,000,000 budget, it was the largest single unit of government in the state. It was headquartered in Indianapolis with branch offices in forty-three cities and part-time registration offices in an additional sixty-nine cities and towns.

The Division employed about a thousand workers, with about half operating under the unemployment division of the social security law and the other half employed by the employment service, which operated under the U.S. Department of Labor and the state.

The Division collected taxes from all employers in Indiana that had eight or more workers on their payrolls. These employers – and others who voluntarily elected to become subject to the Indiana Unemployment Compensation Law – paid about 0.9% of their payrolls in 1936, 1.8% in 1937, and 2.7% in 1938, plus a small amount to the Federal government to finance administrative expenses of the law. For the first three months of 1937, employees also paid into the fund until the Legislature discontinued the employee contributions.

Weekly benefits were provided to eligible workers who became unemployed on or after 1 April 1938. Certain requirements needed to be met, such as having been employed at times since January 1937, having earned at least \$250 in a year or \$50 in each of three calendar quarters, and being willing and able to work. The amount of benefit one received was based on previous earnings. The total amount one might receive was 16% of earnings from the base period, which was the quarter in which the job was lost plus the previous five quarters. The total benefits could not be more than \$225. The maximum weekly benefit was \$15.

After a person registered for unemployment benefits, there was a waiting period during which time the person was to search for a new job. The usual waiting period was two weeks of total unemployment, four weeks of partial unemployment, or one week of total unemployment and two weeks of partial unemployment. Each week after one registered, it was necessary to register again and to report any earnings during the previous week.

Indiana's first unemployment compensation check was issued on 25 April 1938 to Indianapolis resident Jeanette M. Behrman (1891–1986), who did clerical work for the railroad. She retired as an employee of the New York Central Railroad. The one millionth check was issued on 11 October 1938 to Eugene Watson (1893–1984), who lived in Lawrence with his wife Lola. He held various jobs during his life, including high school teacher, meat packing supervisor, bookkeeper, and office manager. This one millionth check brought the total compensation paid by the Division up to that point to approximately \$11,500,000 to eligible unemployed workers in Indiana.

Sources:

Ancestry <ancestrylibrary.com>. Accessed 11 May 2021:
Indiana, U.S., Death Certificates, 1899–2011
United States Federal Census, 1920, 1930, 1940
U.S., World War II Draft Registration Cards, 1942

Early, Maurice. "1,000 To Hold Jobs in New State Setup." *Indianapolis Star*, 28 March 1938, pp. 1, 5 <newspapers.com>. Accessed 11 May 2021.

"Indiana Unemployment Compensation Division." *The Post-Democrat* (Muncie, Indiana), 4 November 1938, p. 2 <newspapers.library.in.gov>. Accessed 11 May 2021.

Your Indiana Unemployment Compensation: A Booklet Prepared Especially for Employees. Published by Indiana Unemployment Compensation Division, March 1938. Pamphlet Collection: HD7096.U6 I5 1938

SCOPE AND CONTENT NOTE

This collection consists of two 8x10 black-and-white photographs and two checks issued by the Auditor of State of Indiana. The photographs show the presentation of the first unemployment compensation check issued in Indiana, in April 1938, and the one-millionth check, issued in October 1938. These two checks, endorsed by their recipients, are in the collection.

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Photograph of the presentation of the first unemployment compensation check issued in Indiana. Seated at a desk with check in hand is Governor Maurice Clifford Townsend. Standing around him are one woman and five men. The woman is presumably Jeanette M. Behrman, recipient of the first check. The second man from left appears to be Harold Porter, the fourth from left appears to be Gilbert K. Hewit, and at far right appears to be Clarence A. Jackson. (Photo #26649 by Voorhis, April 1938)

Photograph of the presentation of the one millionth unemployment benefit check issued in Indiana. The check is presented by Senator Frederick Van Nuys to Eugene Watson in the office of the Senator, on 14 October 1938. Seated left to right: Clarence A. Jackson (director of the Unemployment Compensation Division), Senator Van Nuys, Eugene Watson. Standing behind them, left to right: Gilbert K. Hewit, Eugene L. Fleece, B.E. Davenport, Jack Greig, Harold A. Cash, and Harold Porter. (Photo by Kirkpatrick)

Check No. 1 of the Unemployment Compensation Benefit Fund issued by Auditor of State of Indiana to Jeanette M. Behrman on 25 April 1938, for \$15. The check is signed on the back by Miss Behrman. [On the front of this check someone has typed: "Presented to the Henry County Historical Society / April 26, 1945 / G.K. Hewit."]

Check No. 1000000 of the Unemployment Compensation Benefit Fund issued by Auditor of State of Indiana to Eugene Watson on 11 October 1938, for \$12. The check is signed on the back by Mr. Watson.

CONTAINER

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