PennState
College of Agricultural Sciences

Center for Economic & Community Development

Unemployment Claims by Race, Sex, and Age in Philadelphia County Under COVID-19:

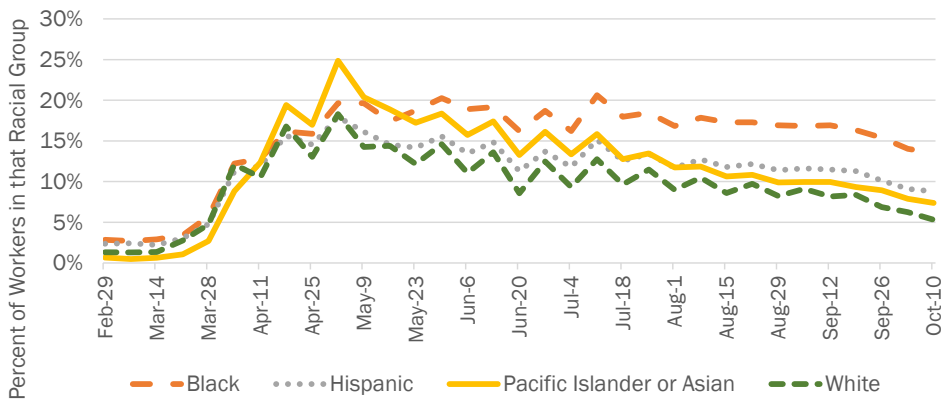
February - October 10, 2020

The COVID-19 pandemic has created many economic difficulties for Pennsylvanians across the state. The number of unemployment claims has skyrocketed due to reduced work hours or a loss of employment entirely. Though people within all demographics have experienced job loss, some sex, racial, and age groups have made more unemployment claims. This report shows the percentage of workers within each racial, sex, and age group with unemployment claims by date for Philadelphia County.

Unemployment Claims by Race & Ethnicity

Immediately before the onset of COVID-19, unemployment claims rates statewide were near or below 10% for all racial groups. This changed dramatically in most Pennsylvania counties in late March and early April as public awareness of COVID-19 increased, and state and local governments, consumers, and businesses started taking actions to reduce exposure. Statewide, Black residents in the labor force had the highest rate of unemployment claims from May through October, followed by American Indian or Alaskan residents. In Philadelphia County, unemployment among Black residents on March 12, before COVID-19, was 2.9%, but it rose to a peak of 20.6% on July 11, 2020 (see Figure 1).

Figure 1. Percentage of Workers in Each Racial or Ethnic Group* With Unemployment Claims by Date, Philadelphia County

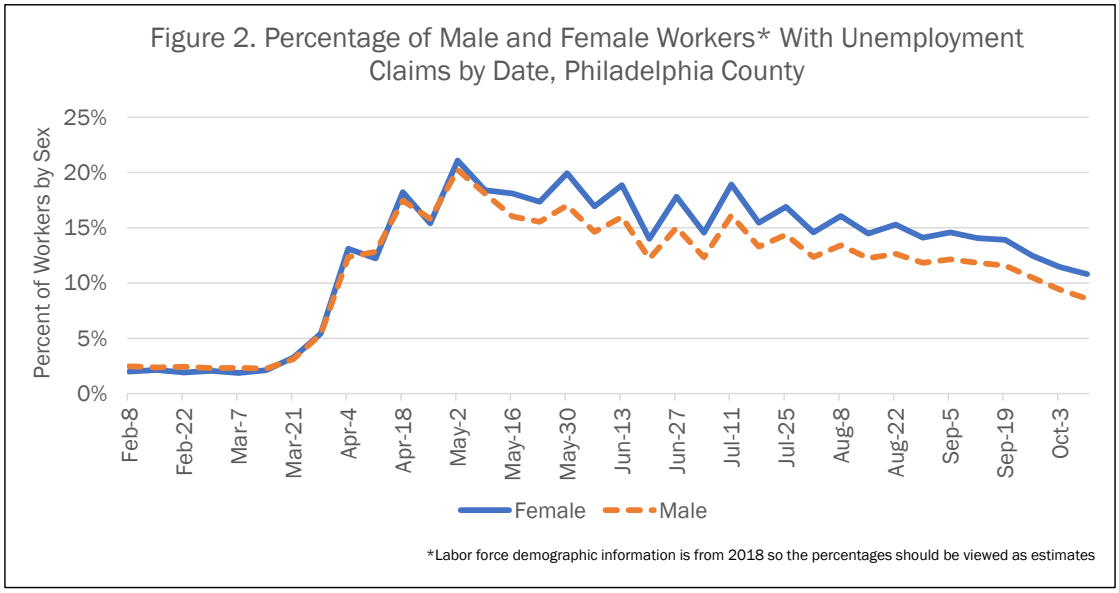


*Labor force demographic information is from 2018 so the percentages should be viewed as estimates
Data sources: PA Center for Workforce Information & Analysis; U.S. Census, Dataset S2301

Statewide as of October 10, White workers were the least likely racial or ethnic group to make unemployment claims. Unemployment among Philadelphia County White residents in the labor force on March 12th, before COVID-19, was 1.3%, but it rose to a peak of 18.3% on May 2, 2020. In many counties, these statistics identify disparities in how unemployment under COVID-19 is affecting different racial and ethnic groups. Some counties may have very large differences, whereas others may have similar percentages of unemployment between all groups. As of October 10, 2020, in Philadelphia County, Black residents had the highest percentage of unemployment claims (13.5%), and White residents had the lowest percentage of unemployment claims (5.3%) in Philadelphia County.

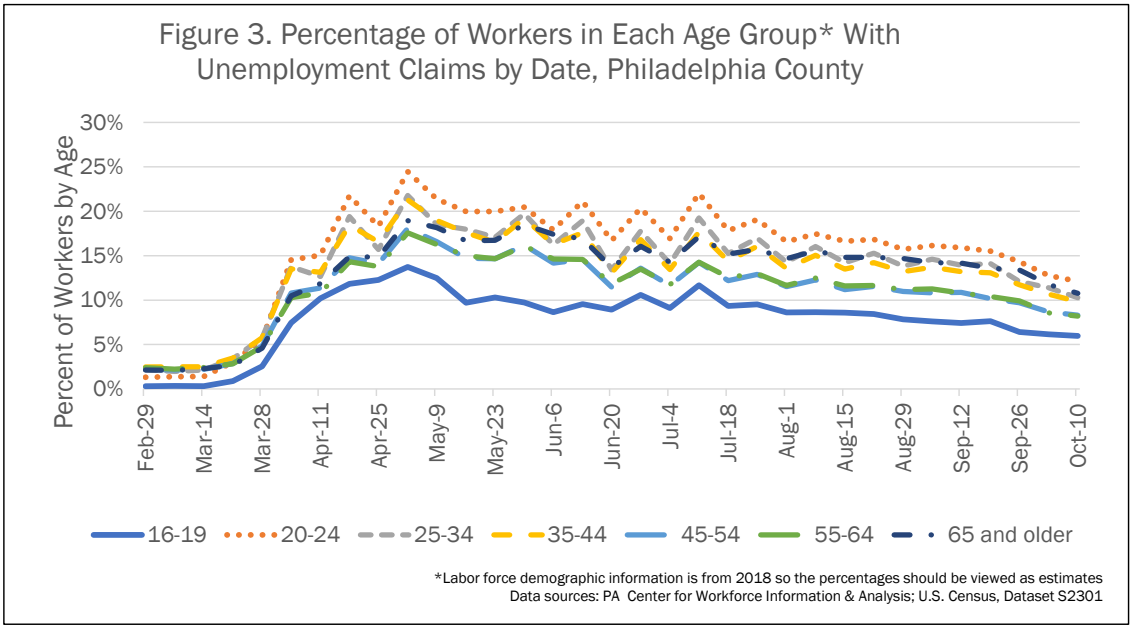
Unemployment Claims by Sex

Unemployment claims by females in Philadelphia County peaked at 21.1% on May 2, 2020, a 10.0-fold increase from March 14 (see Figure 2). Claims from males in the county peaked on the same date at 20.2%, a 8.9-fold increase from March 14. As of October 10, 2020, the unemployment claims rate from female workers had fallen to 10.8% and claims from male workers had fallen to 8.6%. Though they've declined from their peak, these rates are still 5.1 and 3.8 times higher for females and males, respectively, than what the rates were on March 14, prior to COVID-19's initial disruptions to the economy.



Unemployment Claims by Age

Across Pennsylvania, the youngest and oldest workers appear to have been the most likely to have been affected by unemployment associated with COVID-19. Since April 25, workers aged 65 or over have been more likely to file unemployment claims than have workers in any other age group, with claims statewide ranging from 24.3% of such workers on May 2, to 9.5% on October 10. In Philadelphia County, unemployment claims among workers 65 or older on March 12th, before COVID-19, was 2.3%, but it rose to a peak of 18.9% on May 2, 2020 (see Figure 3).



Workers statewide between 20 and 34 years old similarly have experienced higher unemployment claims rates than other age groups, with claims of 23.9% (workers 20 to 24) and 23.8% (workers 25 to 34) on May 2, which fell to 7% and 8%, respectively, on October 10. On March 12 in Philadelphia County, only 1.4% of workers aged 20 to 24 filed unemployment claims, but this rose to a peak of 24.5% on May 2, 2020, a 17.4-fold increase. Unemployment claims from workers age 25 to 34 rose about 10-fold from 2.1% on March 12 to a peak of 21.8% on May 2, 2020.

Since these peaks, unemployment claim rates have dropped slowly in Philadelphia County. About 12.1% workers aged 20 to 24 filed unemployment claims on October 10, a 50% decrease from the peak. During this same time period, claims from workers aged 25 to 34 dropped to 10.3%, a 53% decline, and claims from workers 65 or older fell by 43% to 10.8%. As of October 10, workers aged 20-24 years old had the highest rate of unemployment claims in the county, at 12.1%.

Implications

The disparities of unemployment claims among different groups can have many implications on Pennsylvanians and their communities. Racial, sex, and age groups who see a much higher percentage of unemployment claims will have more difficulties recovering economically from the COVID-19 pandemic. Recent studies have shown that people of color have been more likely to contract COVID1-9, possibly as a result in poor access to affordable health care. Additionally, many people of color work life-sustaining jobs, which has put them more at risk to encountering a COVID-19 carrier, rather than working safely from home.Historic and ongoing discrimination in housing, employment, income, voting, education, healthcare, and incarceration create conditions that make people of color disproportionally vulnerable to the COVID-19 pandemic (Ray; Perry et al). For example, as a result of inequitable healthcare and food access, Black Americans continue to experience higher rates of many of the underlying medical conditions that make people vulnerable to COVID-19. As a result of racial and ethnic discrimination, many people of color across America also have less economic stability than their White counterparts (McIntosh et al).

The COVID-19 pandemic has created great economic challenge and pain for Pennsylvanians across the Commonwealth. It is clear from the unemployment claims data that statewide the impacts are particularly affecting people of color, women, and the youngest and oldest workers. The unemployment claims trends in Philadelphia County likely foreshadows who within the county is likely to face economic hardships as the pandemic continues.

Note About the Data Analysis

The unemployment claims data in this report is from the Pennsylvania Department of Labor's Center for Workforce Information and Analysis (CWIA) and consists of weekly unemployment claims by race, sex, and age through October 10, 2020. This data is compared to American Community Survey (ACS) 5-year estimates of the number of people in the labor force by race, sex, and age, allowing an estimate of the unemployment claims by these groups.The CWIA website notes that their data "should be used as a gauge of the unemployment situation in an area and/or industry and should not be considered an exact real-time count of individuals/claims." The findings in this report thus need to be viewed in the same manner. In addition, since the data is based upon official unemployment claims filed with the state, workers ineligible to apply for unemployment are not included in these numbers. Such workers include people driving for Uber or otherwise within the gig economy and self-employed workers. The CWIA data and thus these estimates omit the impacts on those workers, so the impacts on unemployment likely are larger than what is reported here.In addition, hourly wage workers whose work hours were reduced or who otherwise experienced cuts in pay may not have made unemployment claims. The data thus likely also undercounts the impact of COVID-19 on wages and salaries. Furthermore, the CWIA data does not differentiate between full-time and part-time workers, but rather just identifies unemployment claims regardless of whether the position was full- or part-time.

References

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This report is part of a series called "COVID-19 and Pennsylvania's Economy." Additional county reports and a statewide analysis of unemployment claims by race, sex, and age over time is available online at https://aese.psu.edu/research/centers/cecd/publications.

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