



COVID-19 and Unemployment Claims by Sector in Pennsylvania: February 8 through October 10, 2020

The COVID-19 pandemic has had a significant impact on Pennsylvania's economy, as evidenced by business closures, high unemployment, and falling tax revenues. Many workers, business owners and others have been struggling to adapt, and too many have seen their livelihoods threatened or lost. To better know how to respond, it is important to understand which specific parts of the economy particularly are being affected by the pandemic.

This report examines how unemployment claims varied across Pennsylvania's economic sectors during COVID-19, focusing on what occurred during the early phase of COVID-19 in the Commonwealth. It also considers the impacts across sectors on payroll. This report thus highlights which economic sectors in Pennsylvania and in individual counties have been particularly negatively affected by the pandemic.

About the Data and Analysis in this Report

The unemployment claims data used in this report is from the Pennsylvania Department of Labor's Center for Workforce Information and Analysis (CWIA) and consists of new and continued unemployment claims received by the Pennsylvania Office of Unemployment Compensation through October 10, 2020. The data includes the total number of claims by sector, sex, age, and race, and is released regularly. Applicants file claims on a bi-weekly basis, so the data can show a pattern of higher claims one week followed by fewer claims the next week.

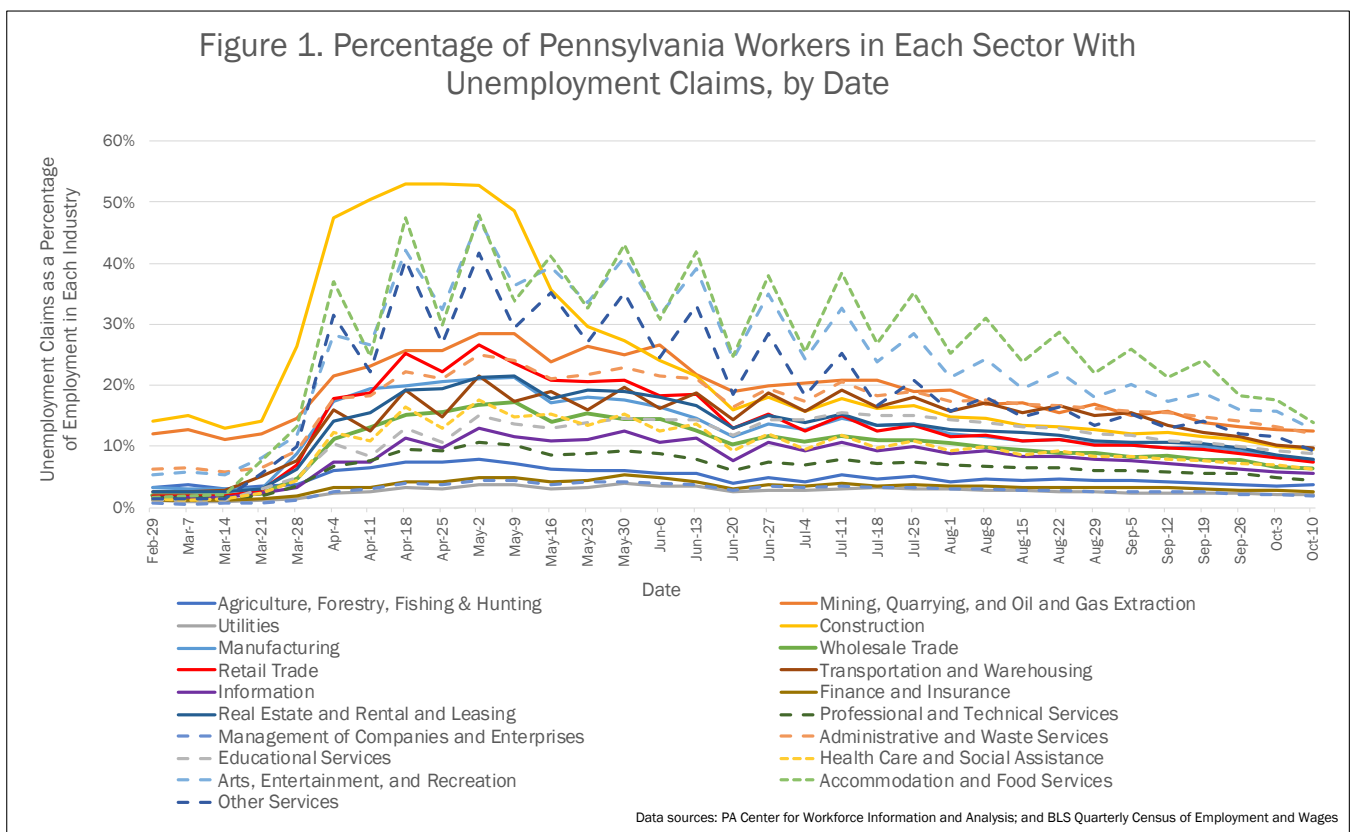
The analysis in this report compares this unemployment claims data to total employment and payroll in each sector of Pennsylvania's economy during the fourth quarter of 2019, as reported by the U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW). It thus estimates unemployment claims by sector as a percentage of employment prior to the onset of COVID-19. Impacts on payroll were estimated using average weekly wages in Pennsylvania by sector in 2019, as reported by the QCEW. The analysis here focuses on the timeframe of February through October 10, 2020, and essentially provides a snapshot of unemployment during the onset of the pandemic.



Unemployment Claims by Sector Over Time

Not unexpectedly, the percentage of workers filing unemployment claims under COVID-19 varied dramatically across economic sectors. The impact of COVID-19 on employment becomes clearer when looking at unemployment claims over time (see Figure 1. The weekly data in Figure 1 also appears in Table 1). The oscillating nature of claims in some sectors, up one week, down the next, and up again the following week, reflects that applicants file claims every two weeks.

Unemployment claims remained relatively steady through February and most of March 2020, with workers in the Construction sector and Mining, Quarrying and Oil and Gas Extraction sector being more likely to file unemployment claims (at rates of around 14% and 12%, respectively) than workers in other sectors (see Table 1). With construction, this in part reflects the seasonal nature of the work, with less construction work being done during winter.



Unemployment claim rates by sector increased dramatically at the end of March and early April as public awareness of COVID-19 increased, and state government, consumers, and businesses started taking actions to reduce exposure. Claims continued to build through April, peaking in some sectors in late April and early May. Unemployment claims in Construction, for example, peaked at about 52.9% on April 25, while claims in Accommodations and Food Services peaked at 47.8% on May 2. The Accommodation and Food Service sector includes restaurants, hotels, and other accommodations, all of which have been particularly affected by the drop in travel, tourism, and dining caused by the pandemic. Claims from Arts, Entertainment, and Recreation workers similarly peaked on May 2, equal to about 47.3% of the total workforce in the sector (see Table 1). Claims from workers in both sectors remained very high on October 10, at 14% and 12.6%, respectively.

Table 1. Percentage of Pennsylvania Workers in Each Sector With Unemployment Claims in 2020, by Date

Sector	Date																
	2/22	2/29	3/7	3/14	3/21	3/28	4/4	4/11	4/18	4/25	5/2	5/9	5/16	5/23	5/30	6/6	6/13
Agriculture, Forestry, Fishing & Hunting	4.1%	3.2%	3.7%	3.0%	3.4%	3.7%	6.1%	6.5%	7.4%	7.3%	7.9%	7.2%	6.2%	6.0%	6.2%	5.5%	5.6%
Mining, Quarrying, and Oil and Gas Extraction	13.2%	12.0%	12.7%	11.2%	12.0%	14.5%	21.6%	23.3%	25.7%	25.6%	28.5%	28.5%	23.9%	26.3%	25.0%	26.7%	21.7%
Utilities	1.0%	1.1%	1.0%	1.0%	1.1%	1.5%	2.4%	2.5%	3.3%	3.1%	3.7%	3.6%	2.9%	3.3%	4.1%	3.5%	3.5%
Construction	16.4%	14.0%	15.0%	12.9%	14.1%	26.4%	47.4%	50.4%	53.0%	52.9%	52.8%	48.6%	35.6%	29.6%	27.4%	24.0%	21.5%
Manufacturing	3.1%	3.2%	3.0%	3.1%	3.1%	8.9%	17.4%	19.5%	19.9%	20.6%	21.0%	21.3%	17.2%	18.0%	17.6%	16.4%	14.5%
Wholesale Trade	2.0%	2.0%	2.0%	2.0%	2.1%	4.7%	11.1%	13.1%	15.3%	15.7%	16.9%	17.3%	20.0%	14.0%	14.5%	18.5%	12.6%
Retail Trade	1.9%	1.9%	1.8%	1.9%	2.8%	6.9%	17.9%	18.7%	25.3%	22.3%	26.6%	23.6%	20.9%	20.6%	20.9%	18.3%	18.6%
Transportation and Warehousing	2.8%	2.7%	2.7%	2.7%	5.0%	7.6%	16.0%	12.5%	19.2%	14.7%	21.6%	17.3%	18.9%	16.1%	19.7%	16.1%	18.8%
Information	1.6%	1.6%	1.6%	1.7%	2.2%	3.3%	7.4%	7.5%	11.3%	9.8%	12.9%	11.7%	10.9%	11.1%	12.6%	10.7%	11.4%
Finance and Insurance	1.2%	1.2%	1.2%	1.2%	1.3%	1.8%	3.2%	3.3%	4.2%	4.2%	4.9%	4.9%	4.3%	4.5%	5.3%	4.9%	4.2%
Real Estate and Rental and Leasing	2.6%	2.6%	2.5%	2.6%	3.1%	6.2%	14.1%	15.5%	19.1%	19.4%	21.2%	21.6%	17.9%	19.3%	19.0%	18.2%	16.6%
Professional and Technical Services	1.7%	1.8%	1.7%	1.7%	1.9%	3.4%	6.8%	7.6%	9.5%	9.2%	10.7%	10.1%	8.6%	8.9%	9.3%	8.7%	7.9%
Management of Companies and Enterprises	0.5%	0.6%	0.6%	0.6%	0.7%	1.1%	2.5%	3.0%	3.9%	3.8%	4.5%	4.3%	3.8%	4.1%	4.2%	3.9%	3.8%
Administrative and Waste Services	6.7%	6.2%	6.5%	5.8%	6.5%	9.2%	17.9%	18.3%	22.2%	21.2%	25.0%	24.0%	21.0%	21.7%	23.0%	21.6%	21.1%
Educational Services	1.2%	1.2%	1.1%	1.2%	3.0%	4.9%	10.4%	8.3%	13.1%	10.6%	15.2%	13.7%	12.9%	14.0%	14.7%	14.4%	14.3%
Health Care and Social Assistance	1.3%	1.3%	1.3%	1.3%	2.4%	4.5%	12.4%	10.8%	16.4%	13.0%	17.5%	14.8%	15.2%	13.5%	15.3%	12.6%	13.7%
Arts, Entertainment, and Recreation	6.1%	5.4%	5.8%	5.3%	8.0%	11.9%	28.2%	26.6%	42.1%	32.4%	47.3%	36.4%	39.5%	33.5%	40.9%	31.5%	39.0%
Accommodation and Food Services	1.8%	1.7%	1.8%	2.1%	7.7%	13.2%	37.0%	24.8%	47.5%	29.8%	47.8%	47.8%	41.2%	32.7%	43.0%	30.8%	41.9%
Other Services	1.4%	1.5%	1.4%	1.5%	5.5%	9.9%	31.6%	22.3%	40.6%	26.8%	41.6%	39.4%	35.2%	27.0%	35.2%	24.4%	33.1%

Sector	Date																
	6/20	6/27	7/4	7/11	7/18	7/25	8/1	8/8	8/15	8/22	8/29	9/5	9/12	9/19	9/26	10/3	10/10
Agriculture, Forestry, Fishing & Hunting	3.9%	5.0%	4.3%	5.3%	4.7%	5.2%	4.3%	4.6%	4.3%	4.5%	4.4%	4.5%	4.1%	3.9%	3.8%	3.4%	3.7%
Mining, Quarrying, and Oil and Gas Extraction	18.9%	20.0%	20.5%	20.8%	20.9%	19.1%	19.3%	16.9%	17.2%	15.5%	17.0%	15.0%	15.7%	14.0%	13.2%	12.8%	12.5%
Utilities	2.5%	2.9%	2.9%	2.9%	3.2%	3.0%	3.0%	2.8%	2.7%	2.5%	2.6%	2.4%	2.4%	2.2%	2.2%	2.1%	2.2%
Construction	16.0%	18.1%	15.8%	17.9%	16.1%	16.6%	14.8%	14.7%	13.4%	13.2%	12.8%	12.1%	12.2%	11.6%	11.1%	9.9%	9.5%
Manufacturing	11.6%	13.6%	12.8%	14.6%	13.5%	13.7%	12.1%	11.6%	10.8%	11.2%	10.5%	10.2%	9.8%	9.9%	9.3%	8.3%	7.7%
Wholesale Trade	10.3%	11.8%	10.8%	11.8%	11.0%	10.9%	10.5%	9.9%	9.3%	9.0%	8.9%	8.3%	8.5%	7.7%	7.8%	6.7%	6.4%
Retail Trade	13.0%	15.4%	12.6%	15.0%	12.5%	13.5%	11.7%	11.9%	10.9%	11.1%	10.1%	10.1%	9.8%	9.5%	8.8%	8.2%	7.4%
Transportation and Warehousing	14.4%	18.7%	15.8%	19.2%	16.5%	18.1%	15.9%	17.1%	15.6%	16.7%	15.1%	15.5%	13.5%	12.3%	11.6%	10.2%	9.8%
Information	7.7%	10.6%	9.2%	10.7%	9.4%	10.1%	8.9%	9.3%	8.3%	8.4%	7.9%	7.7%	7.3%	6.8%	6.4%	5.9%	5.5%
Finance and Insurance	3.1%	3.7%	3.5%	3.9%	3.6%	3.8%	3.4%	3.5%	3.3%	3.2%	3.2%	3.2%	3.3%	3.0%	2.9%	2.8%	2.6%
Real Estate and Rental and Leasing	13.0%	15.1%	13.9%	15.4%	13.5%	13.8%	12.6%	12.6%	12.2%	11.7%	11.0%	10.6%	10.7%	10.3%	9.7%	8.6%	7.8%
Professional and Technical Services	6.1%	7.4%	7.0%	7.8%	7.2%	7.4%	6.9%	6.7%	6.5%	6.4%	6.1%	5.9%	5.8%	5.6%	5.5%	5.0%	4.5%
Management of Companies and Enterprises	2.8%	3.5%	3.2%	3.6%	3.3%	3.3%	3.0%	3.0%	2.8%	2.7%	2.6%	2.6%	2.5%	2.5%	2.1%	2.2%	1.9%
Administrative and Waste Services	16.5%	19.4%	17.3%	20.6%	18.2%	18.9%	17.4%	17.7%	16.8%	16.8%	16.3%	15.7%	15.4%	14.7%	14.2%	13.1%	12.1%
Educational Services	11.8%	14.4%	14.3%	15.6%	15.1%	15.1%	14.3%	13.9%	13.2%	12.9%	12.1%	11.8%	10.8%	10.6%	10.1%	9.2%	8.9%
Health Care and Social Assistance	9.3%	12.0%	9.6%	11.9%	9.8%	10.8%	9.2%	9.9%	8.7%	9.2%	8.3%	8.4%	7.9%	7.8%	7.2%	6.9%	6.4%
Arts, Entertainment, and Recreation	24.4%	34.9%	24.4%	32.7%	23.9%	28.4%	21.4%	24.3%	19.4%	22.2%	18.0%	20.1%	17.4%	18.7%	15.9%	15.8%	12.6%
Accommodation and Food Services	24.9%	37.9%	25.5%	38.4%	26.8%	35.3%	25.2%	31.1%	23.9%	28.8%	22.1%	26.0%	21.3%	24.1%	18.4%	17.7%	14.0%
Other Services	18.6%	28.4%	18.4%	25.2%	16.8%	20.8%	15.8%	18.2%	14.7%	16.5%	13.5%	15.3%	13.0%	14.2%	11.9%	11.5%	9.2%

Data sources: PA Center for Workforce Information and Analysis; and BLS Quarterly Census of Employment and Wages

The trends over time vary across sectors, reflecting differences between them. Claims within Construction remained high through April but then fell precipitously in early May and continued to decline into summer and fall as construction work projects resumed across the Commonwealth.

The increase in unemployment claims in other sectors was smaller but no less historic or disruptive to the workers' lives. Claims in the Administrative and Waste Services sector, which include businesses focused on waste disposal, cleaning, security and surveillance, and office and clerical services, similarly peaked during the first week of May, at 28.7%, but had declined to 12.1% as of October 10.

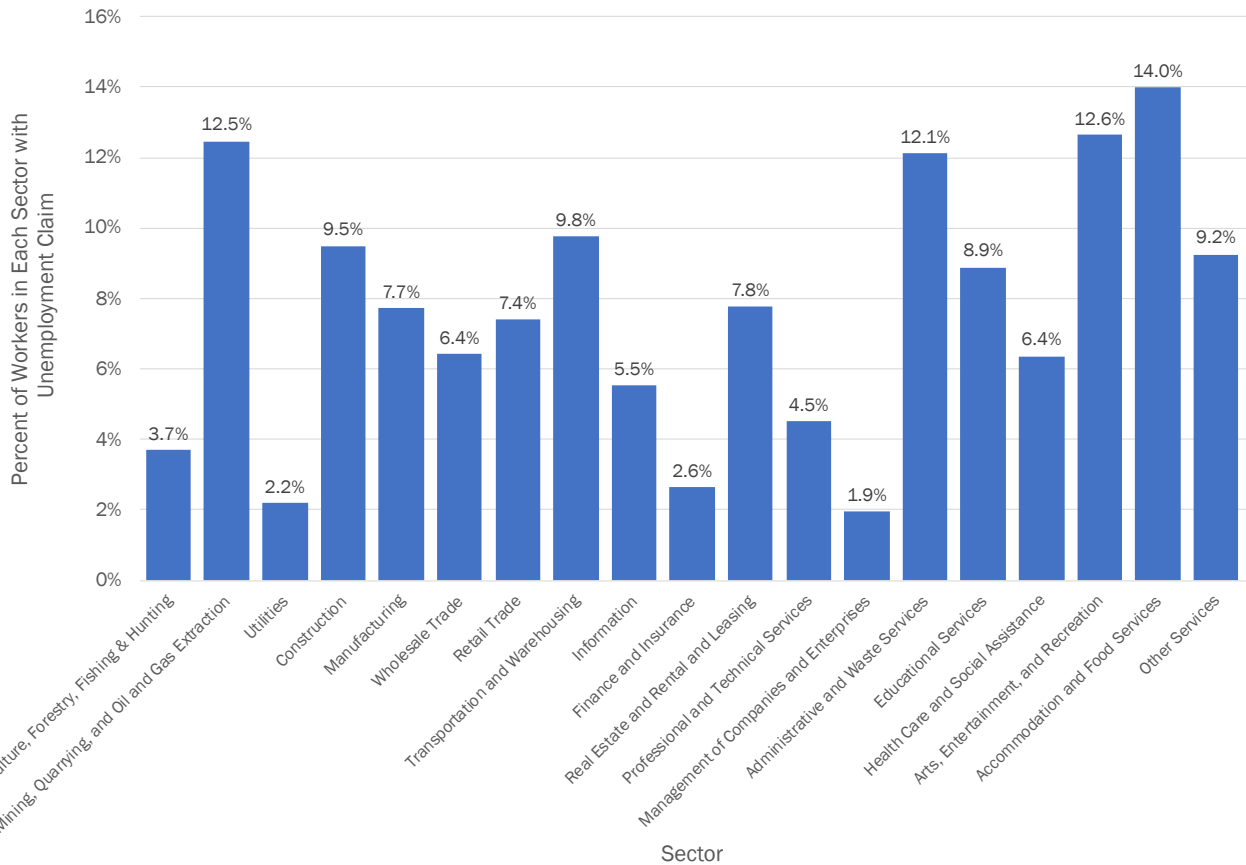
The Retail Trade sector similarly was hard hit, with claims peaking at almost 27% on May 2. Two sectors which support retail activity similarly peaked around the same time, with Wholesale Trade experiencing unemployment claims of about 17% on May 9, and Transportation and Warehousing peaking at 22% on May 2. As of October 10, these sectors appear to be recovering, but at dissimilar rates; claims from Retail Trade declined by about 72.2% from their peak and from Wholesale Trade declined by about 62.8% for their peak, but still remain high (7.4% and 6.4%, respectively). In contrast, Transportation and Warehousing has only declined 54.8% during this same time period and remained high at 9.8%. Unemployment claims in the Health Care and Social Assistance sector peaked at about 18% on May 2, likely due to the cancellation of most elective medical procedures and closing of dental and other medical offices, and declined to about 6.4% by October 10.

Several sectors experienced relatively small increases in unemployment claims during this same timeframe, including Utilities (peak of 4.1% on May 30), which was considered life-sustaining by the governor's order, and Management of Companies and Enterprises (peak of 4.2% on May 2) and Finance and Insurance (peak of 5.3% on May 30). The latter sectors presumably saw relatively small unemployment because much of their work can be done remotely or at a social distance.

Unemployment Claims by Sector on October 10

As of October 10, unemployment claims from all economic sectors in Pennsylvania had declined from their peaks early in the pandemic, yet conditions varied dramatically between them. About 14.0% of workers in the Accommodation and Food Service sector filed a new or continuing claim during the week of October 10, 2020, for example, as did 12.6% of workers in the Arts, Entertainment, and Recreation sector, compared to only 2.2% of workers in the Utilities sector, and 1.9% of workers in the Management of Companies and Enterprises sector. The Finance and Insurance claims were 2.6% (see Figure 2).

Figure 2. Percentage of Pennsylvania Workers in Each Sector with Unemployment Claims, October 10, 2020



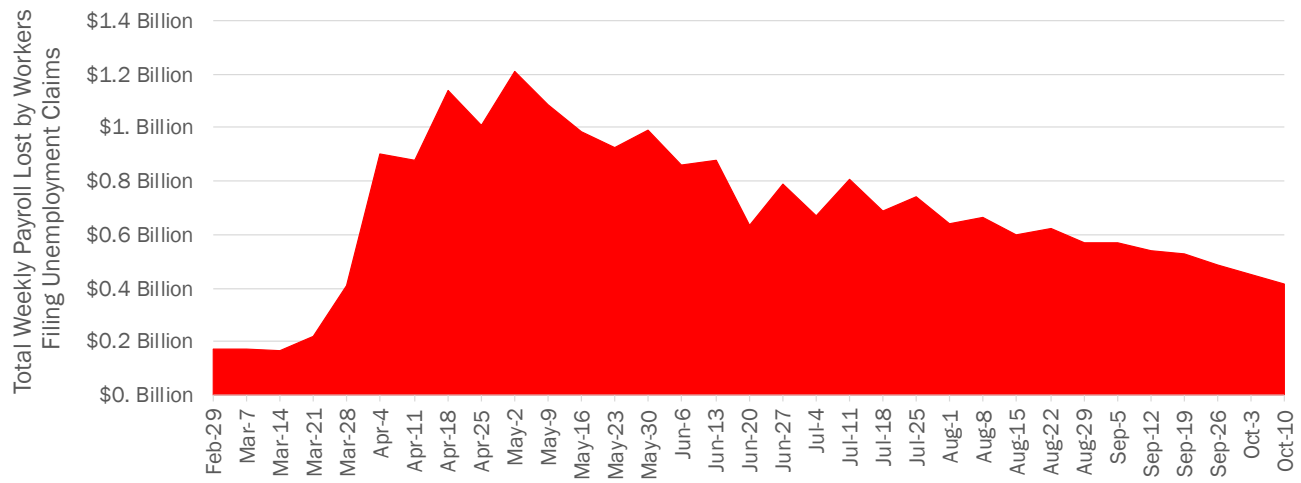
Data sources: PA Center for Workforce Information and Analysis; and BLS Quarterly Census of Employment and Wages

Lost Wages & Salaries

One way to measure the impact of these unemployment claims is to consider the wages and salaries that the unemployed workers lost due to the layoffs. Individually, many of the applicants received unemployment compensation which would have helped them adjust to the lost income, but from a statewide perspective this lost payroll reflects a loss of productivity. To the extent that unemployment insurance does not cover these losses, it also represents lost income to workers and thus lost spending in the community.

The estimated weekly payroll lost to workers with unemployment claims increased dramatically in early April as unemployment claims rose, rising from just less than \$200 million a week through February to about \$900 million on April 18, and peaking at about \$1.2 billion a week on May 2 (see Figure 3). Lost weekly payroll has declined somewhat since that peak, but as of October 10 it was still almost 2.5 times pre-pandemic levels. These losses are cumulative, totaling about \$21.9 billion from March 21 through October 10.

Figure 3. Total Weekly Payroll Lost to Workers with Unemployment Claims in Pennsylvania During COVID-19



Data sources: PA Center for Workforce Information and Analysis; and BLS Quarterly Census of Employment and Wages

Unemployment payments helped reduce the net impact of this lost payroll on Pennsylvania’s economy. Notably, from the week ending April 4 through July 25, unemployed Pennsylvania workers were eligible for an additional \$600 per week in unemployment benefits through the federal stimulus bill passed by Congress in late March. If all workers filing unemployment claims received this supplemental \$600, the total of such federal dollars would have been around \$9.5 billion, significantly assisting the unemployed workers and helping sustain Pennsylvania’s economy during the downturn by making up for much of the lost earnings. Very likely the economic disruptions in Pennsylvania’s economy would have been much worse without these supplemental dollars.

No single sector accounted for a majority of the lost payroll within Pennsylvania, though several sectors had larger shares of those losses. Between 15% and 18% of the total losses statewide occurred in the Health Care and Social Assistance sector, depending upon the week, while lost payroll in the Manufacturing sector accounted for between 12% and 15% of statewide losses through October 10 (see Table 2). The relatively large size of these two sectors’ impacts likely reflects relatively higher wages in health care and in manufacturing compared to other sectors.

In contrast, though experiencing relatively high unemployment, lost payroll in the Accommodation and Food Service sector ranged from about 5% to 9% of payroll losses statewide, and lost payroll in the Arts, Entertainment and Recreation sector ranged from 2% to about 3% of statewide losses from late March through October 10. Losses in the Retail Trade sector accounted for about 6% to 8.4% of statewide losses during this same timeframe. Total payroll in these three sectors tends to be lower than in other sectors due to the relatively large number of part-time employees and the generally lower hourly wages.

The share of lost payroll statewide due to claims in the Construction sector actually decreased through the pandemic as other sectors experienced dramatic increases in claims and as construction hiring picked up in late April and May, falling from about 28.6% of lost payroll statewide on March 14 to only 8.4% on October 10.

Table 2. Share of Weekly Payroll Lost to Workers with Unemployment Claims in Pennsylvania During COVID-19, by Sector

Sector	Date																
	2/22/20	2/29/20	3/7/20	3/14/20	3/21/20	3/28/20	4/4/20	4/11/20	4/18/20	4/25/20	5/2/20	5/9/20	5/16/20	5/23/20	5/30/20	6/6/20	6/13/20
Agriculture, Forestry, Fishing & Hunting	0.4%	0.3%	0.4%	0.3%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Mining, Quarrying, and Oil and Gas Extraction	3.3%	3.1%	3.3%	3.0%	2.4%	1.6%	1.1%	1.2%	1.0%	1.1%	1.0%	1.2%	1.1%	1.3%	1.1%	1.4%	1.1%
Utilities	0.3%	0.3%	0.3%	0.3%	0.3%	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%	0.1%	0.2%	0.2%	0.2%	0.2%
Construction	33.4%	30.0%	31.9%	28.6%	23.6%	23.4%	19.2%	20.9%	17.1%	19.2%	15.9%	16.4%	13.2%	11.7%	10.1%	10.2%	8.9%
Manufacturing	12.3%	13.7%	12.5%	13.7%	10.2%	15.6%	13.9%	16.0%	12.6%	14.7%	12.5%	14.2%	12.6%	14.0%	12.8%	13.8%	12.0%
Wholesale Trade	4.0%	4.3%	4.1%	4.2%	3.5%	4.1%	4.4%	5.3%	4.8%	5.5%	4.9%	5.7%	5.0%	5.9%	5.2%	6.0%	5.1%
Retail Trade	3.9%	4.2%	4.1%	4.3%	4.8%	6.3%	7.5%	8.0%	8.4%	8.3%	8.3%	8.2%	8.0%	8.4%	7.9%	8.0%	8.0%
Transportation and Warehousing	4.2%	4.2%	4.2%	4.4%	6.3%	5.0%	4.8%	3.8%	4.6%	4.0%	4.8%	4.3%	5.2%	4.7%	5.4%	5.1%	5.8%
Information	1.4%	1.4%	1.4%	1.6%	1.6%	1.2%	1.2%	1.3%	1.5%	1.5%	1.6%	1.6%	1.7%	1.8%	1.9%	1.9%	2.0%
Finance and Insurance	3.2%	3.5%	3.3%	3.6%	2.9%	2.1%	1.7%	1.8%	1.8%	2.0%	2.0%	2.2%	2.1%	2.3%	2.5%	2.7%	2.3%
Real Estate and Rental and Leasing	1.1%	1.2%	1.2%	1.3%	1.1%	1.2%	1.3%	1.4%	1.4%	1.6%	1.4%	1.6%	1.5%	1.7%	1.5%	1.7%	1.5%
Professional and Technical Services	7.5%	7.9%	7.6%	8.0%	6.7%	6.3%	5.8%	6.7%	6.4%	7.0%	6.8%	7.2%	6.7%	7.4%	7.3%	7.8%	6.9%
Management of Companies and Enterprises	1.1%	1.4%	1.2%	1.4%	1.1%	1.0%	1.0%	1.2%	1.2%	1.3%	1.3%	1.4%	1.4%	1.6%	1.5%	1.6%	1.5%
Administrative and Waste Services	9.2%	9.0%	9.3%	8.7%	7.3%	5.5%	4.9%	5.1%	4.8%	5.2%	5.1%	5.5%	5.3%	5.8%	5.7%	6.2%	5.9%
Educational Services	1.5%	1.6%	1.5%	1.7%	3.1%	2.7%	2.8%	2.1%	2.6%	2.4%	2.8%	2.9%	3.0%	3.4%	3.3%	3.8%	3.7%
Health Care and Social Assistance	8.0%	8.6%	8.2%	9.0%	12.2%	12.2%	15.3%	13.7%	16.1%	14.4%	16.1%	15.3%	17.2%	16.3%	17.2%	16.2%	17.4%
Arts, Entertainment, and Recreation	2.4%	2.2%	2.4%	2.2%	2.6%	2.0%	2.2%	2.1%	2.6%	2.3%	2.7%	2.4%	2.8%	2.5%	2.9%	2.6%	3.1%
Accommodation and Food Services	1.8%	1.8%	2.0%	2.4%	6.6%	6.0%	7.7%	5.3%	7.8%	5.5%	7.4%	5.9%	7.8%	6.6%	8.1%	6.7%	8.9%
Other Services, Ex. Public Admin	1.1%	1.2%	1.2%	1.3%	3.6%	3.4%	5.0%	3.6%	5.1%	3.8%	4.9%	3.9%	5.1%	4.2%	5.1%	4.1%	5.4%
Total Weekly Payroll Foregone	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Sector	6/20/20	6/27/20	7/4/20	7/11/20	7/18/20	7/25/20	8/1/20	8/8/20	8/15/20	8/22/20	8/29/20	9/5/20	9/12/20	9/19/20	9/26/20	10/3/20	10/10/20
Agriculture, Forestry, Fishing & Hunting	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.2%
Mining, Quarrying, and Oil and Gas Extraction	1.3%	1.1%	1.4%	1.2%	1.4%	1.1%	1.3%	1.1%	1.3%	1.1%	1.3%	1.2%	1.3%	1.2%	1.2%	1.3%	1.3%
Utilities	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%
Construction	9.3%	8.4%	8.6%	8.2%	8.6%	8.2%	8.4%	8.1%	8.2%	7.8%	8.3%	7.8%	8.3%	8.0%	8.3%	8.0%	8.4%
Manufacturing	13.2%	12.4%	13.8%	13.1%	14.2%	13.4%	13.6%	12.6%	13.0%	13.0%	13.4%	12.9%	13.2%	13.5%	13.8%	13.2%	13.5%
Wholesale Trade	5.7%	5.3%	5.7%	5.2%	5.7%	5.2%	5.8%	5.3%	5.5%	5.2%	5.6%	5.2%	5.6%	5.2%	5.6%	5.3%	5.5%
Retail Trade	7.8%	7.3%	7.1%	7.1%	6.8%	6.9%	6.8%	6.8%	6.8%	6.7%	6.7%	6.7%	6.8%	6.8%	6.8%	6.9%	6.8%
Transportation and Warehousing	6.1%	6.4%	6.4%	6.5%	6.5%	6.6%	6.7%	7.0%	7.0%	7.3%	7.2%	7.4%	6.8%	6.3%	6.4%	6.1%	6.4%
Information	1.8%	2.0%	2.1%	2.0%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.1%	2.0%	2.0%	2.0%	2.1%
Finance and Insurance	2.4%	2.3%	2.5%	2.3%	2.5%	2.4%	2.5%	2.5%	2.7%	2.6%	2.7%	2.7%	2.9%	2.8%	2.8%	3.0%	3.1%
Real Estate and Rental and Leasing	1.7%	1.5%	1.7%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%	1.5%	1.6%	1.6%	1.6%	1.5%	1.5%
Professional and Technical Services	7.4%	7.2%	8.1%	7.5%	8.1%	7.7%	8.3%	7.8%	8.4%	8.0%	8.2%	8.0%	8.3%	8.2%	8.7%	8.5%	8.4%
Management of Companies and Enterprises	1.6%	1.6%	1.7%	1.6%	1.7%	1.6%	1.7%	1.6%	1.6%	1.6%	1.7%	1.7%	1.7%	1.7%	1.6%	1.7%	1.7%
Administrative and Waste Services	6.4%	6.0%	6.4%	6.3%	6.5%	6.3%	6.7%	6.6%	6.9%	6.7%	7.1%	6.8%	7.1%	6.9%	7.2%	7.2%	7.2%
Educational Services	4.2%	4.1%	4.8%	4.4%	5.0%	4.6%	5.0%	4.7%	5.0%	4.7%	4.8%	4.7%	4.5%	4.7%	4.6%	4.6%	4.9%
Health Care and Social Assistance	16.4%	16.9%	15.9%	16.5%	15.8%	16.3%	15.9%	16.6%	16.1%	16.5%	16.2%	16.4%	16.3%	16.3%	16.3%	16.9%	17.1%
Arts, Entertainment, and Recreation	2.7%	3.1%	2.6%	2.9%	2.4%	2.7%	2.3%	2.6%	2.3%	2.5%	2.2%	2.5%	2.3%	2.5%	2.3%	2.5%	2.2%
Accommodation and Food Services	7.3%	8.9%	7.1%	8.9%	7.3%	8.9%	7.3%	8.8%	7.4%	8.7%	7.3%	8.5%	7.4%	8.5%	7.0%	7.3%	6.3%
Other Services, Ex. Public Admin	4.2%	5.1%	3.9%	4.5%	3.5%	4.0%	3.5%	3.9%	3.5%	3.8%	3.4%	3.8%	3.5%	3.8%	3.5%	3.6%	3.2%
Total Weekly Payroll Foregone	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data sources: PA Center for Workforce Information and Analysis; and BLS Quarterly Census of Employment and Wages

Implications

The unemployment claim data demonstrates the significant impact that COVID-19 has had on Pennsylvania's economy and workforce. The data suggests that almost all sectors of Pennsylvania's economy have been negatively affected by the pandemic. Not surprisingly, tourism- and travel-dependent sectors experienced the most significant unemployment claim rates through October 10, as have recreation and retail businesses. Payroll lost by these workers claiming unemployment totaled about \$21.9 billion from March 21 through October 10, which reflects a significant loss of productivity within the Commonwealth's economy. Unemployment payments, and particularly the temporary additional \$600 a week benefits from the federal stimulus bill, helped reduce the impact on unemployed workers and their households during this time period, and helped keep money flowing into Pennsylvania's economy. Without such aid the negative economic impacts of the pandemic likely would have been worse.

This study focuses on the unemployment claim numbers which occurred during this time period. It does not try to address questions about the extent to which Pennsylvania government policies and actions contributed to these unemployment claims rates, or if those policies and actions instead kept unemployment claims rates lower than they would have been without any such government response. The analysis was not designed to answer this question, yet we suspect it likely is somewhere between these two extremes. Other states which did not mandate business closings and other restrictions also experienced major economic disruptions during this same period, so the Commonwealth's economy likely would have suffered major disruptions regardless.

There are some caveats with this analysis. 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." These findings 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 impact of COVID-19 on unemployment claims likely is 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 on wages and salaries. In addition, the data focuses solely on jobs and payroll, not on actual productivity; many workers who remained employed likely were less productive than normal due to stress about the pandemic, having to suddenly adjust to new work procedures or location, and other factors associated with COVID-19. The true impact on Pennsylvania's economy thus likely is greater than these estimates.

References

Center for Workforce Information and Analysis. (2020). “Weekly Unemployment Claims Dashboard.” Harrisburg: Pennsylvania Department of Labor and Industry.

U.S. Bureau of Labor Statistics. (2020). “Quarterly Census of Employment and Wages.” Washington, D.C. United States Department of Labor.

https://data.bls.gov/cew/apps/data_views/data_views.htm#tab=Tables

More on this topic:

This report is part of a series called “COVID-19 and Pennsylvania’s Economy.” Additional reports released thus far (October 2020) include an analysis of unemployment claims by worker race, sex, and age at both the PA state and county levels. These reports are available online at <https://aese.psu.edu/research/centers/cecd/publications>.

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The Center conducts more detailed analysis around these and other topics of interest. For more information please contact:

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