





**COVID-19** and Pennsylvania's Economy

**March 2021** 

# Unemployment Claims under COVID-19 by Race, Sex, and Age: Pennsylvania, January 2020 through January 9, 2021

COVID-19 has created many economic difficulties for Pennsylvanians in various ways. Millions of workers have faced a loss in income due to reduced hours at work or loss of their jobs entirely. As a result, the number of unemployment claims has skyrocketed. Though people of all races and sexes have faced unemployment, it is important to understand whether and how unemployment is affecting different groups within Pennsylvania. This report explores unemployment claims by worker race, sex, and age in Pennsylvania during COVID-19, focusing on what occurred during the early and middle phases of COVID-19 in Pennsylvania.

Discussing the demographics of who is claiming unemployment is important when looking to fully understand the economic impact of COVID-19 on Pennsylvanian communities. The racial, sex, and age group members who have higher percentages of unemployment claims may be facing unique challenges and hardships. When seeing the trends of unemployment claims throughout the report, consider why each group may be affected in the way that it is, and what it means for the future.

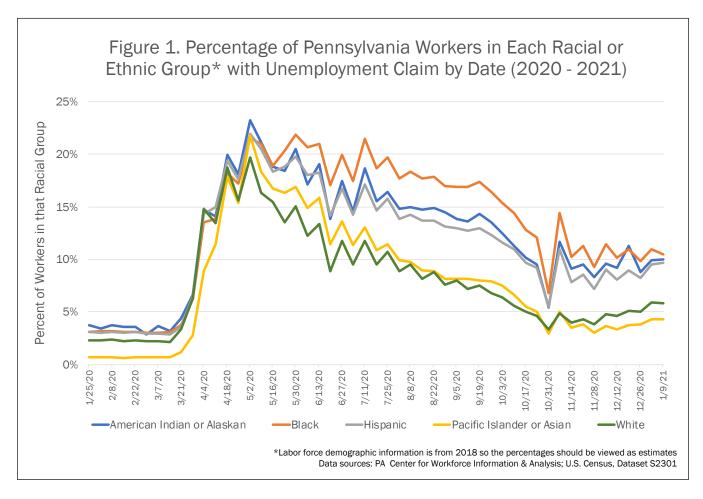
#### **Data in this Report**

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 sector through January 9, 2021. This data is compared to American Community Survey (ACS) estimates of the number of people in the labor force by race and sex, allowing an estimate of the unemployment claims rates by these groups. The state-level analysis in this report uses the ACS 1-year estimate from 2018, the latest ACS data available. The county-level analysis instead is conducted with the 5-year estimate from 2018 because the 1-year estimate at the county-level has too much undisclosed data in some locations due to the relatively small size of county populations. The analysis in this report focuses on the timeframe of January 2020 through January 9, 2021, and provides a snapshot of unemployment during the early and middle phases of the COVID-19 pandemic.



#### **Unemployment Claims Statewide by Racial or Ethnic Group**

Employment in Pennsylvania was strong prior to COVID-19, with less than 5% of workers in each major racial group filing unemployment claims during February, 2020 (see Figure 1). Unemployment claims started rising in late March and early April as public awareness of COVID-19 increased, and the state government, consumers, and businesses started taking actions to reduce exposure. Claims from workers of all races rose at almost the same rate during this time period.



Since the peak of unemployment claims in late April and early May, unemployment claims have declined steadily, with a slight rise again in early November as COVID rates spiked. This recovery has differed across racial and ethnic groups, with non-Asian workers of color generally experiencing a slower decline in unemployment claims than have White workers or Pacific Islanders or Asian workers. Unemployment claims from Black workers as a percentage of Blacks in the labor force generally were higher than claims from other racial groups even before COVID-19, and with the exception of one week in mid-December, have been consistently higher than workers in other racial and ethnic groups since May 16.

American Indian or Alaskan workers have experienced similarly high levels of unemployment claims, exceeding other racial and ethnic groups from April 18 until May 9, and again for one week in mid-December, and otherwise have had the second or third highest percentage of claims by race or ethnic group.

During the first few weeks of the pandemic in Pennsylvania the unemployment claims rate from White workers was similar to other racial and ethnic groups, and for one week during the initial phases of the pandemic (April 4, 2020) it slightly exceeded the unemployment claims of other groups. The following week the claims rate for White workers dropped while rates among Black and Hispanic workers increased, passing it. Since May 2, 2020, White workers have had among the lowest unemployment claims rate of any racial or ethnic group.

There are clear differences in how unemployment claims have decreased since the peak on May 2. As of January 9, 2021, unemployment claims from White workers decreased by about 71%, compared to decreases of only 52% among Black workers and 56% among Hispanic workers. During the same time period, claims from Pacific Islander or Asian workers decreased by 81%.

These differences in how unemployment claims have decreased over this time period has exacerbated differences between White and non-White workers; for example, on January 9, 2021, the unemployment claims rate among Black workers was about 1.8 times greater than that of White workers (10.4% compared to 5.8%), while the rate among Hispanic workers (9.7%) was about 1.7 times as high as among White workers.

These differences in unemployment claims by race likely reflect differences in racial employment patterns across economic sectors, that some economic sectors are being affected by COVID-19 much more than are others, and how easily jobs in each sector can be done remotely. Studies suggest that racial employment patterns are affected by differences in education levels and differences in where people live (see Andolfatto, 2017), which themselves have been affected by past discrimination in housing and employment.

#### **Unemployment Claims at the County Level by Racial or Ethnic Group**

The trends by race and ethnic group at the county level are similar to the statewide trends, though there are some differences which reflect the circumstances of each county. For example, in Allegheny County during the week of January 9, 2021 unemployment claims from Black workers equaled 11.6% of the Black workforce in the county, compared to a 6.9% rate among Hispanic workers, 3.3% rate among Pacific Islander or Asian workers, and 5.2% unemployment claims rate by White workers (see Table 1). This county level analysis excludes American Indian or Alaskan workers because the relatively small number of workers from these groups within most Pennsylvania counties makes the calculations too error prone.

Table 1. Unemployment Claims on January 9, 2021 as a Percentage of Workforce Participants by Race\*, By Pennsylvania County

Percentage of Workers in Each Racial Percentage of Workers in Each Racial **Group With Unemployment Claim Group With Unemployment Claim** Pacific Pacific Islander Islander County Black Hispanic White County Black Hispanic or Asian White or Asian Pennsylvania 10.4% 9.7% 4.3% 5.8% Juniata County 1.8% 16.5% 7.9% Adams County 7.8% 4.2% 4.9% 10.9% 6.5% 6.4% Lackawanna County 25.6% 7.1% Allegheny County 5.2% 11.6% 6.9% 3.3% Lancaster County 10.2% 9.7% 5.2% 4.3% **Armstrong County** 9.2% 6.0% 2.4% 9.0% 14.4% 7.1% 2.1% 8.2% Lawrence County **Beaver County** 14.0% 11.3% 7.2% 6.9% Lebanon County 7.7% 12.5% 7.0% 5.4% **Bedford County** 8.2% 17.1% 5.3% 9.3% Lehigh County 8.6% 10.8% 5.0% 4.7% **Berks County** 7.1% 11.4% 4.2% 5.0% Luzerne County 17.2% 15.1% 5.3% 7.4% **Blair County** 18.1% 9.2% 3.3% 8.1% Lycoming County 17.0% 13.1% 6.8% 7.1% **Bradford County** 9.8% 4.4% 2.3% 5.2% McKean County 3.5% 4.4% 2.4% 6.3% **Bucks County** 5.4% 6.7% 3.3% 3.9% Mercer County 17.2% 7.2% 5.7% 7.6% **Butler County** 6.9% 6.4% 6.5% Mifflin County 12.4% 14.1% 6.8% 7.8% 1.4% 28.0% 10.8% 7.7% 4.8% 5.8% Cambria County 14.1% 7.7% Monroe County 7.8% Cameron County 12.6% **Montgomery County** 8.0% 5.5% 3.2% 3.7% Carbon County 6.5% 8.5% 3.7% 7.6% Montour County 9.2% 48.1% 0.8% 5.4% Centre County 4.2% 2.6% 4.7% Northampton County 7.6% 8.4% 5.8% 4.6% 1.2% 4.5% 1.8% 3.3% Northumberland County 23.7% 15.0% 10.7% 7.5% **Chester County** 7.5% 4.9% 2.8% Clarion County 7.5% 6.8% 7.9% **Perry County** 30.9% 2.7% 5.9% Clearfield County 6.9% 3.7% 8.0% 9.2% Philadelphia County 9.4% 7.3% 4.5% 4.1% Clinton County 6.3% 6.4% 2.3% 7.1% Pike County 6.6% 5.8% 2.0% 4.1% Columbia County 19.1% 7.0% 4.8% 7.7% **Potter County** 22.6% 18.8% 10.3% 7.0% Crawford County 5.8% 9.8% 6.7% 6.7% Schuylkill County 15.6% 18.1% 6.6% 7.0% **Cumberland County** 8.3% 7.8% 2.4% 4.1% **Snyder County** 7.0% 10.4% 7.9% 6.3% **Dauphin County** 10.6% 12.4% 4.2% 4.7% Somerset County 22.8% 14.5% 13.7% 8.1% **Delaware County** 9.9% 6.5% 4.6% 3.9% Sullivan County 2.8% 0.0% 6.4% **Elk County** 48.9% 7.1% 3.7% 8.0% Susquehanna County 2.3% 6.9% 4.5% **Erie County** 13.8% 17.2% 6.6% 7.3% **Tioga County** 7.1% 4.3% 8.1% 7.7% **Fayette County** 9.6% **Union County** 6.4% 11.6% 12.0% 5.0% 11.2% 4.6% 21.6% 32.9% 7.0% Forest County Venango County 6.1% 3.5% 8.8% 10.5% 1.4% 4.3% 3.8% 0.6% 3.5% 6.4% Franklin County Warren County **Fulton County** 13.0% Washington County 12.9% 5.9% 3.7% 6.8% 16.7% 7.1% Greene County 6.0% 10.3% 6.9% Wayne County 12.8% 6.7% 6.9% 6.9% 4.6% 12.0% Westmoreland County 8.0% 7.4% **Huntingdon County** 13.2% 7.3% 12.1% 1.8% Indiana County 11.3% 5.9% 4.1% 7.5% **Wyoming County** 18.3% 5.5% 7.0% Jefferson County 7.5% 11.5% 13.4% 8.5% York County 10.5% 14.0% 4.0% 4.6%

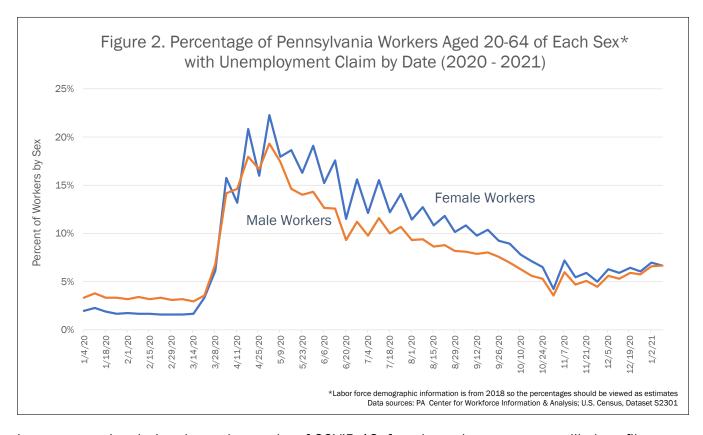
\*Labor force demographic information is from 2018 so the percentages should be viewed as estimates

Unemployment Claims include initial claims and continued claims

Sources: PA Center for Workforce Information & Analysis; U.S. Census, Dataset S2301

#### **Unemployment Claims by Sex**

Female workers were more likely to file unemployment claims through January 9, 2021 than were male workers in Pennsylvania. For example, on May 2, the peak of unemployment claims under COVID, 22.3% of female workers filed unemployment claims, compared to 19.3% of male workers (see Figure 2). Claims from female and male workers have declined since then, but the percentage of female workers filing claims remained higher than claims from male workers through most of the recovery, and only equaled claims from males in early January. These differences in claims likely reflect differences in where females and males are employed, such as retail, education, hospitality, manufacturing, and financial services, and particularly how some economic sectors were being affected much more than are others. These differences are driven by dissimilarities in educational achievement by sex, as well as historical discrimination and cultural norms which influence which professions males and females seek and receive. The differences likely also reflect how easily jobs in various economic sectors can be done remotely.



In most counties during the early months of COVID-19, female workers were more likely to file unemployment claims than were male workers. However, during the most recent months, some counties were seeing male workers with equal or higher claims than female workers. For example, on January 9, 2021, in Bedford County the unemployment claims for males were 11.2% and for females they were 8.3%. In Franklin, Lackawanna, Perry, Union, and Wayne counties the unemployment claims differences between males and females were almost nonexistent.

Table 2. Unemployment Claims on January 9, 2021 as a Percentage of Workforce Participants by Sex\*, By Pennsylvania County

		of Workers with Claim		Percentage of Workers of Each Sex with Claim			Percentage of Workers of Each Sex with Claim	
County	Females aged 20- 64	Males aged 20- 64	County	Females aged 20- 64	Males aged 20- 64	County	Females aged 20- 64	Males aged 20- 64
Pennsylvania	6.7%	6.7%	Delaware	5.8%	5.2%	Montgomery	4.5%	3.9%
Adams	5.7%	4.3%	Elk	8.0%	7.8%	Montour	6.1%	5.0%
Allegheny	5.9%	6.1%	Erie	7.9%	8.6%	Northampton	6.0%	4.9%
Armstrong	7.1%	10.8%	Fayette	8.5%	10.6%	Northumberland	8.4%	7.7%
Beaver	6.5%	8.0%	Forest	24.3%	29.3%	Perry	5.9%	6.0%
Bedford	8.3%	11.2%	Franklin	4.9%	5.0%	Philadelphia	7.6%	6.6%
Berks	6.8%	6.4%	Fulton	10.3%	16.7%	Pike	5.4%	3.7%
Blair	8.2%	8.4%	Greene	6.1%	7.8%	Potter	5.0%	9.6%
Bradford	5.4%	5.2%	Huntingdon	9.3%	15.3%	Schuylkill	8.0%	7.1%
Bucks	4.3%	3.8%	Indiana	6.8%	8.5%	Snyder	6.4%	6.8%
Butler	5.6%	6.9%	Jefferson	7.6%	9.6%	Somerset	6.5%	9.6%
Cambria	7.8%	8.4%	Juniata	8.5%	8.7%	Sullivan	7.2%	5.3%
Cameron	11.4%	14.7%	Lackawanna	7.3%	7.4%	Susquehanna	4.0%	5.1%
Carbon	7.7%	7.3%	Lancaster	6.1%	4.9%	Tioga	6.8%	8.2%
Centre	3.9%	4.9%	Lawrence	7.3%	9.4%	Union	6.5%	6.4%
Chester	4.0%	3.0%	Lebanon	6.8%	5.9%	Venango	6.7%	7.8%
Clarion	6.1%	9.0%	Lehigh	7.4%	6.2%	Warren	6.6%	6.2%
Clearfield	8.4%	10.0%	Luzerne	8.6%	8.8%	Washington	6.3%	8.2%
Clinton	6.2%	8.1%	Lycoming	7.3%	8.3%	Wayne	7.3%	7.2%
Columbia	7.1%	8.0%	McKean	6.1%	6.7%	Westmoreland	7.2%	7.8%
Crawford	6.5%	7.1%	Mercer	7.7%	8.5%	Wyoming	6.4%	8.1%
Cumberland	4.8%	4.2%	Mifflin	8.5%	7.9%	York	5.8%	5.6%
Dauphin	7.2%	6.4%	Monroe	7.6%	6.0%			

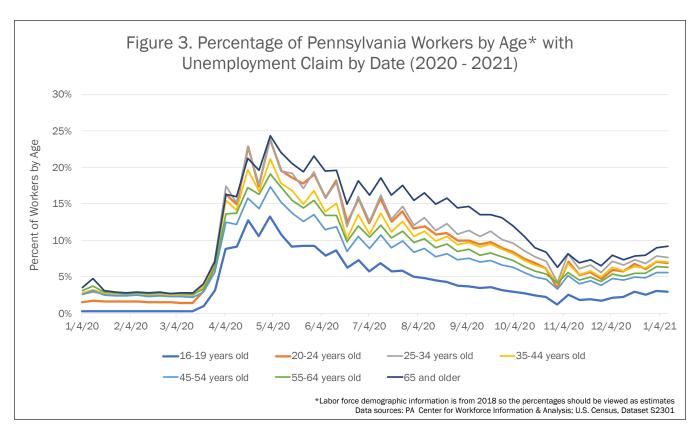
<sup>\*</sup>Labor force demographic information is from 2018 so the percentages should be viewed as estimates

Unemployment Claims include initial claims and continued claims

Sources: PA Center for Workforce Information & Analysis; U.S. Census, Dataset S2301

### **Unemployment Claims by Age**

When considering unemployment claims by the age of the worker, it becomes clear that COVID-19 particularly has affected workers 65 and over and workers in their 20's and early 30's (see Figure 3). 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 ranging from 24.3% of such workers on May 2, to 9.2% on January 9, 2021. Workers 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, to 7.6% and 7.0% on January 9, 2021. The lowest unemployment claims rate during this time period was among the workforce age 16 to 19, but this likely reflects that many such workers were ineligible to apply for unemployment claims due to the nature of their jobs, their hours, or other factors.



That unemployment claims from workers age 20 to 34 are higher than from workers at the midpoint or later parts of their career or other workers shouldn't be too surprising. Younger workers are more likely to be laid off before their older counterparts due to their inevitable lack of experience or seniority within an industry. In addition, they make up a large share of the workforce of some of the sectors most affected by COVID-19, such as retail, food service, and accommodations.

The findings for workers age 65 and over are a bit more surprising. Most workers retire before age 65, so it may be that many of the remaining workforce of this age range feel they have to work to supplement their Social Security or other retirement income. In addition, they may be workers who are working part-time or in a second career, and thus like younger workers are more vulnerable to layoffs than are other workers.

Not surprisingly, unemployment claims rates by age vary across counties, reflecting county-level differences in the local economies and demographics (see Table 3). Early in the pandemic, unemployment claims rates from workers age 65 and over often were higher from urban counties (such as Allegheny, Beaver, Erie, Lackawanna, Lehigh, Luzerne, and Philadelphia) than in rural counties. During the recovery this pattern has switched, with many urban counties now having lower claims rates among older workers than do many rural counties. For example, claims from workers 65 and over in Philadelphia dropped to 6.7% by January 9, 2021, and such claims in Allegheny County were 9.5%. In contrast, most of the counties with the highest unemployment claims rates among these older workers are rural, including Tioga (15%), Fayette (14.4%), Carbon (14.3%), Columbia (14.2%), and Huntingdon (14%). This would suggest that the local economies in urban counties generally have been able to recover more quickly than have the economies of more rural counties, generating more opportunities for senior workers to be re-employed.

Unemployment Claims include initial claims and continued claims Sources: PA Center for Workforce Information & Analysis; U.S. Census, Dataset S2301 \*Labor force demographic information is from 2018 so the percentages should be viewed as estimates. Forest County was omitted due to the extremely small size of its workforce 65 and Percentage of Workers in Each Age Group\* With Unemployment 12.5% 10.6% 8.6% 12.4% 7.4% 11.1% 8.6 10.4% 8.9% 9.3% 12.0% 15.0% 11.2% 89.9 10.9% 7.9% 11.3% 8.3% 9.0% 8.6% 7.8% 9.6% 6.7% 7.1% 8.4% 9.5% 5.6% 9.8% 7.2% 7.6% older 5.4% Table 3. Unemployment Claims on January 9, 2021 as a Percentage of Workforce Participants by Age, \* by PA County 4.3% 5.2% 7.1% 5.7% 6.4% 8.0% 7.5% 89.9 7.6% 4.2% 8.5% 6.2% 89.9 7.4% 8.0% 6.9% 4.9% 7.5% 89.9 5.8% 7.9% 7.5% 5.6% 7.8% 8.6% 6.4% 5.1% 4.7% 4.2% 7.3% 7.4% 7.2% 45-54 6.7% 7.3% 5.5% 5.7% 5.7% 6.3% %0.9 4.6% 5.2% 86.9 4.7% 3.3% 6.5% 4.5% 6.1% 5.9% 3.3% 6.3% 3.4% 8.8% 6.8% 4.8% 6.2% 7.7% 5.6% 7.3% 6.8% 5.4% 7.0% 7.8% 7.0% 5.9% 35-44 3.5% %0.6 8.9% 6.5% 6.9% 6.3% 8.6% 8.6% 5.8% 4.2% 5.8% 5.3% 9.2% 80.9 7.6% 7.8% 7.3% 8.2% 8.1% 6.1% 5.5% 8.3% 8.9 8.2% %9.9 7.7% 8.2% 7.8% 6.3% 9.2% 9.3% 25-34 11.2% 10.3% 8.6% 10.2% %0.6 9.2% 8.3% 8.1% 7.7% 9.4% 7.5% 8.9 8.0% %9.7 8.3% 8.4% 8.9% 9.1% 8.1% %6.9 6.9% 8.2% 8.1% 4.7% 3.5% 6.8% 9.7% 5.9% 7.5% 6.4% 6.3% 4.6% %0.9 20-24 5.5% 80.9 6.7% 6.9% 7.0% 7.7% 9.4% 4.8% 9.2% 5.7% 7.3% 80.9 8.0% 5.8% %6.9 7.6% 4.4% 8.1% 6.1% 3.9% 3.2% 3.5% 2.6% 6.5% 7.1% 7.2% 7.5% 7.5% 8.9% 16-19 2.0% 3.5% 3.7% 2.4% 2.5% 1.9% 2.2% 2.8% %9.0 3.7% 3.1% 2.6% 2.0% 4.3% 2.0% 2.5% 2.7% 4.4% 4.2% 1.8% 2.3% 1.7% 3.9% 1.3% 2.7% 2.1% 3.1% 3.9% 1.9% 1.6% Northumberland County Westmoreland County Susquehanna County Northampton County Philadelphia County Montgomery County Lackawanna County Washington County Schuylkill County Lancaster County Somerset County awrence County Lycoming County Wyoming County County Lebanon County Montour County Venango County Luzerne County McKean County Sullivan County Monroe County Warren County Juniata County Mercer County Snyder County Wayne County Lehigh County Mifflin County Potter County **Union County** Fioga County Perry County Pike County York County 11.0% 12.1% 12.3% 11.3% 12.5% 12.9% 10.4% 14.3% 16.4% 13.2% 12.7% 14.2% 10.6% 10.9% 14.4% 14.0% 11.0% Percentage of Workers in Each Age Group\* With Unemployment 65 and 7.1% 5.6% 6.5% %0.6 %6.9 9.5% 9.3% %6.9 9.2% 9.5% 6.2% 7.6% 7.0% 15.5% 12.7% 55-64 %6.6 7.5% 10.4% 8.7% %6.9 15.5% 5.3% 3.8% 8.3% 11.0% 7.4% 7.7% 4.6% 2.6% 4.7% 4.9% 7.0% 7.8% %9.7 5.0% 5.9% %0.9 5.0% 4.0% 8.3% 8.2% 7.4% 9.4% 7.2% 7.6% 11.5% 12.0% 45-54 2.8% 8.0% 5.9% 5.6% 7.4% 8.1% 7.1% 7.3% 3.2% 5.0% 8.2% 6.7% 6.1% 4.2% %9.9 %9.9 4.0% 4.2% %9.9 9.2% 4.2% 5.0% 7.8% 5.8% 8.4% 5.1% 7.5% 10.2% 12.7% 6.4% 17.5% 11.0% 9.3% 35-44 8.4% 3.3% 8.9% 7.3% 7.2% 5.9% 9.4% 5.1% 7.0% 9.3% 9.1% 7.4% 9.7% 7.4% 8.2% 6.1% 4.3% 7.9% 4.6% 9.7% 9.1% 7.4% 4.6% 8.5% 11.1% 25-34 10.8% 10.4% 12.7% 10.5% 19.2% 12.9% 8.8% 7.1% 9.3% 6.5% 6.2% 8.3% 9.1% 6.3% 4.8% 7.0% 8.9% 8.7% 4.6% 4.3% 8.6% 9.4% 7.8% 7.2% 4.8% 8.5% %6.6 %0.6 %9.6 5.0% 7.1% 17.9% 14.7% 11.3% 8.2% 20-24 12.2% 5.5% %0.9 4.5% 4.9% %6.9 7.6% 8.9% 5.9% 3.6% 4.8% 6.5% 7.8% 7.7% 3.4% 3.5% 4.1% 8.3% 3.9% 5.5% 5.3% 4.4% 8.9 5.7% 8.0% 8.6% 5.9% 16-19 1.5%5.3% 2.9% 3.2% 2.5% 4.4% 3.3% 1.6% 2.3% 3.7% 3.4% 1.2% 2.2% 3.5% 2.2% 2.4% 3.7% 2.5% 4.9% 2.1% 1.2% 1.6% 2.6% 3.8% 1.3% 8.0% 1.4% 2.0% 4.0% 2.6% **Cumberland County Huntingdon County Armstrong County** Clearfield County Allegheny County Columbia County Crawford County Delaware County Jefferson County Cameron County **Bradford County** Dauphin County Franklin County County Cambria County **Bedford County** Chester County Clarion County Greene County ndiana County Beaver County Carbon County Clinton County Fayette County Centre County Adams County **Butler County** Forest County **Berks County Bucks County** Fulton County Pennsylvania Blair County **Erie County** Elk County

### **Unemployment Claims by Age, Race, and Sex**

When sex, race, and age are considered together, unemployment claims patterns are more mixed now than they were earlier in the pandemic. Early in the COVID-19 pandemic, female workers in most age and racial groups were more likely to file unemployment claims than were males of the same age and race. As of January 9, 2021, some differences by sex, race, and age remain, but without clear patterns (see Table 4). For example, Black female workers up to age 24 were more likely to file unemployment claims than were male workers of the same age, but claims rates are an identical 10.8% for Black female and male workers between 25 and 54 years old, and Black male workers aged 55 or older were more likely to file claims than were female workers of the same age. With White workers, males between 20 and 64 were more likely to file unemployment claims than were females with that age range.

Table 4. Unemployment Claims on January 9, 2021 as a Percentage of Workforce Participants by Age, Sex, and Race,\* Pennsylvania

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	Black		Hispanic		Asian		White	
Age	Female	Male	Female	Male	Female	Male	Female	Male
16-19	5.5%	4.3%	4.7%	2.9%	1.9%	1.7%	2.5%	2.2%
20-24	11.2%	10.1%	11.1%	8.3%	4.4%	3.6%	5.8%	5.9%
25-54	10.8%	10.8%	9.9%	8.3%	4.3%	3.0%	5.5%	6.0%
55-64	7.6%	9.6%	8.9%	9.0%	6.5%	5.2%	5.8%	6.0%
65+	9.9%	11.4%	11.0%	12.0%	7.6%	6.1%	8.5%	8.1%
All	10.1%	10.3%	9.6%	8.1%	4.6%	3.4%	5.7%	6.0%

<sup>\*</sup>Labor force demographic information is from 2018 so the percentages should be viewed as estimates

Unemployment Claims include initial claims and continued claims

Data sources: PA Center for Workforce Information & Analysis; U.S. Census B23002, 2018

Differences between races appear greatest for younger and middle-aged workers, regardless of sex. For example, 11.2% of Black females aged 20 to 24 filed claims on January 9, 2021, about 2 times higher than the 5.8% of White females of that age who did so, while 11.1% of Hispanic females aged 20 to 24 filed claims, about 2 times higher than did White females of that age. Notably, with the exception of Black and Hispanic females, claims rates were highest for workers 65 and over, suggesting that the oldest workers are more likely to file unemployment claims, regardless of their race.

#### **Implications and Conclusions**

The data show that COVID-19 is having a dissimilar impact on Pennsylvania workers and that racial minority groups, females, and younger and older workers are most likely to be filing unemployment claims. Employment has been recovering since the peak of unemployment claims in late April and early May, but the data suggests that the recovery has been leaving behind many workers of color. These effects likely are due to a multitude of factors, including differences in education level, occupation, the economic sector in which they work, and the ability of their job to be done remotely.

The impact on workers losing their jobs under COVID-19 can be devastating. Job loss can lead to loss of income, which can be particularly challenging in single-earner households, threatening their ability to make rent or mortgage payments and buy food and other necessities. It can also mean the loss of health insurance if the worker received that via their employer. This makes households even more vulnerable in the pandemic when they may most need such insurance. Unemployment insurance by its nature provides some financial assistance to workers who lose their jobs, helping to reduce the challenges they face.

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.

The COVID-19 pandemic has created great economic challenge and pain for Pennsylvanians across the state. Employment has been recovering since the peak disruptions in late April and early May, but it is clear from the unemployment claims data that the recovery has been uneven, and it is leaving behind people of color, and the youngest and oldest workers.

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More information: This report is part of a series called "COVID-19 and Pennsylvania's Economy." Additional analysis, including unemployment claims rates by sector over time, is available online at <a href="https://aese.psu.edu/research/centers/cecd/publications">https://aese.psu.edu/research/centers/cecd/publications</a>.

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This report was prepared by Timothy W. Kelsey and Kayla Gordon. For questions about this report, please contact Timothy Kelsey at tkelsey@psu.edu.

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

Alyssa Gurklis at azg5380@psu.edu

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