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### COVID-19'S EMPLOYMENT DISRUPTIONS TO ASIAN AMERICANS

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Center for Neighborhood Knowledge



Asian American Studies Center



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### COVID-19'S EMPLOYMENT DISRUPTIONS TO ASIAN AMERICANS

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### I. INTRODUCTION

The COVID-19 crisis has upended everybody's daily life-transforming the ways we socialize, consume, work, and engage in politics. The United States is experiencing a once-in-a-century disruption to its people and economy caused by the spread of COVID-19, creating upheavals not witnessed since the 1918 flu (H1N1 virus) pandemic. As of June 8, 2020, the nation reported 1,938,823 confirmed cases and 110,375 deaths.<sup>1</sup> Along with the direct health costs of illness and deaths, the indirect impacts on the economy are tremendous. To "flatten the curve" and prevent the number of new cases from overwhelming the healthcare system, public officials have taken dramatic action to limit person-to-person interactions by restricting group gatherings, encouraging social distancing and ordering people to shelter-in-place.<sup>2</sup> These disruptions are creating enormous financial hardships to workers, families, businesses and communities. The magnitude of the economic impacts is evident in the dramatic increase in unemployment. Between mid-February and mid-April, the nation lost about 25 million jobs.<sup>3</sup> The unemployment rate rose to 14.7% in April 2020 with 23.1 million unemployed workers.

Along with the rest of America, Asian Americans are highly impacted by this economic recession. However, the virus's Asian origin may affect Asian Americans to a greater degree as racial and xenophobic tensions mount. President Trump has often times been assailed and supported for his reference to COVID-19 as the "Chinese virus" or the "kung flu."<sup>4</sup> A recent Pew survey reports that "Black and Asian Americans are also more likely than their white and Hispanic counterparts to say they have been subject to slurs or jokes because of their race or ethnicity, but Asian adults are the most likely to say this has happened to them since the beginning of the coronavirus outbreak. About 3 in 10 Asian adults (31%) say they have been subject to slurs or jokes because of their race or ethnicity since the outbreak began, compared with 21% of Black adults, 15% of Hispanic adults and 8% of white adults."<sup>5</sup> The New Center for Public Integrity/Ipsos Poll finds similar patterns, including that 3 in 5 Asian Americans have witnessed someone blaming Asians for the epidemic.<sup>6</sup> The Asian Pacific Policy and Planning Council, Chinese for Affirmative Action and San Francisco State University recorded over 800 COVID-19 related hate incidents against Asian Americans in California from March to June 2020.<sup>7</sup> Recorded incidents include harassment, assault, and potential civil rights violations including discrimination in the workplace.

The increase in discrimination against Asian Americans has manifested financially and commercially as customers, employers, and co-workers base their economic behavior on discrimination. Anecdotal evidence demonstrate that Asian American businesses, particularly those in ethnic enclaves, have experienced the labor-market impact of COVID-19 earlier and more deeply because of the racialized blaming. Even before the shelter-in-place orders, customers were showing reluctance to patronize Asian American businesses. One of the most reported impacts is the dramatic decline for New York City's Chinatown. Starting in late January (around the Lunar New Year, traditionally an extremely busy period for commerce), sales declined by more than threeguarters.<sup>8</sup> The devastating economic impact goes beyond New York City. San Francisco also experienced this, prompting local elected officials and even U.S. House Speaker Nancy Pelosi to label the reaction and fear as unwarranted in late February 2020.<sup>9</sup> In Los Angeles, the impact was not just limited to Chinatown, but also affected other Asian enclaves, such as Koreatown.<sup>10</sup> What is not known, however, is how much these sector and geographic specific impacts have affected the overall labor-market status and performance of Asian Americans as a whole. Quantitatively, how significantly have Asian American employment and joblessness changed during the pandemic? Who has been the most affected? What are the drivers behind these changes?

To fill the empirical void and better understand the nature, pattern and magnitude of the COVID-19 disruption to Asian Americans in the labor market, we focus on the impacts during March and May 2020 using the most readily available data. The brief is divided into four parts: 1) overview of job losses and unemployment due to COVID-19 for the U.S.; 2) analysis of Asian American disparities; 3) summary and conclusions; and 4) description of data sources.

Unfortunately, there is no single data source that can provide precise details on the nature, pattern and magnitude of the COVID-19 disruptions Asian Americans in the labor market. Our approach is to triangulate with multiple data sources. This brief uses five data sources: the Current Population Survey (CPS), Current Employment Statistics (CES) survey, Unemployment Insurance (UI) claims (derived from U.S. Department of Labor and Employment and Training Administration [DOLETA] and supplemented by UI data from the California Policy Lab) and the 2018 American Community Survey (ACS) Public Use Micro Sample (PUMS). Each data source is briefly described in the appendix. Some key findings include:

- The unemployment rate has so far peaked at almost 15% across the U.S.. Although the official unemployment rates for Asians and whites are nearly the same for April 2020 - 14.5% and 14.2% respectively, our estimated joblessness rate for Asians is 21% versus 19% for whites in April.
- Although the official May 2020 unemployment rates saw a dip in unemployment for the nation as a whole, the Asian American unemployment rate increased to 15% and estimated joblessness rate remained at 21%.
- Asian Americans comprise a larger number of workers making initial Unemployment Insurance claims. In California, Asian American's are 16% of the labor force in February 2020 but filed 19% of initial UI claims over the two and a half months of the shutdown. In New York state, Asian Americans are 9% of the state labor force, but filed 14% initial UI claims by mid-April.
- Many Asian Americans are employed in industries hard hit by COVID-19. Almost 1 in 4 employed Asian Americans are employed in the Hospitality and Leisure, Retail, and Other Services Industries. The unemployment rate for Asian Americans in two of the industries, Hospitality and Leisure and Other services was 40%.
- COVID-19 impacted Asian Americans differently across states. Preliminary estimates show Asian unemployment in Hawaii to be near 25%.
- Our estimate for small business closures due to COVID-19 is 233,000, measured by estimating the decline in Asians self-employment from 879,000 in February 2020 to 587,000 in April 2020. The drop amounts to a 28% of a decline in the two-month period. By comparison, non-Hispanic white small businesses declined by 1.79 million businesses and 17% over the same period.

### II. OVERVIEW OF JOB LOSSES AND UNEMPLOYMENT DUE TO COVID-19

The timing of the spread of COVID-19 can be seen in Figure 1.<sup>11</sup> The number of confirmed deaths passed the one-hundred mark by mid-March. To "flatten the curve" and prevent the number of new cases from overwhelming the healthcare system, health experts have strongly advocated for limiting person-to-person interactions by restricting group gatherings, encouraging social distancing and ordering people to shelter-in-place.<sup>12</sup> Elected and public officials have taken dramatic action to implement the advice, some faster than others. On March 4, 2020, California Governor Gavin Newsom declared a state of emergency because of the COVID-19 threat. On March 19, 2020, he issued "Executive Order N33-20," ordering "all individuals living in the State of California to stay home or at their place of residence except as needed to maintain continuity of operations of the federal critical infrastructure sectors." The state of New York issued a similar decree the following day. Similar mandates have been enacted by states, cities and counties by April 2020.





Source: CDC, Coronavirus 2019, Cases, Data and Surveillance https://www.cdc.gov/coronavirus/2019-ncov/cases-updates/previouscases.html

Many businesses were required to stop operating or found it unprofitable to stay open. Shelter-in-place orders divided the labor market into three segments: (1) essential workers, (2) non-essential workers able to work remotely, (3) and non-essential workers unable to work remotely. Essential workers include those who are "needed to maintain continuity of operations of essential critical infrastructure sectors and additional sectors as the State Public Health Officer may designate as critical to protect health and well-being of all Californians."<sup>13</sup> Most of the employees in this segment have continued to work, although often having to take health risks by continuing to interact with customers, patients and the public. Among non-essential workers, many were able to work remotely from home. This is particularly true for white-collar employees and professionals. The group hit the hardest economically were non-essential workers who could not work remotely or worked for a firm that shut down.

The loss of jobs and resulting unemployment are evident in the available data. Jobs data are based on the Bureau of Labor Statistics CES establishment data. Between February 2020 and April 2020, total employment fell by 21.7 million workers, which is lower than the CPS estimate of 25.3 million decline in the number of people working based on surveys of individuals in the labor market. Some of the difference is likely due to the inclusion of the self-employment and the informal sector employment in the CPS. The unemployment counts are based on the CPS, with unemployment increasing by about 17.3 million between February and April. The difference between job losses and change in the number of unemployed could be due in part to the increase of dislocated workers not actively seeking a job because of the labor market because of health crisis or those who dropped out of the labor market because of health-related issues. From February to April, the official unemployment rate rose from 3.5% to 14.7%.

To account for the difference between the number of jobs lost and increase in the number of unemployed, we use the concept of joblessness, which includes both those reported as unemployed (those actively looking for a job and willing to accept an offer) and what is known as discouraged workers. A discouraged worker is defined as a person who wants employment but is not is not actively engage in job search due to factors such as a shortage of employment opportunities, discriminatory barriers, or a lack of prerequisite skills. In other words, they are discouraged by external factors. Regardless of the reason, discouraged workers do not fulfill the CPS criteria to be classified as being unemployed, thus they do not show up in the official unemployed statistics. This exclusion is particularly problematic during the COVID-19 crisis, which has radically and profoundly altered the meaning of unemployment for individuals as well as unemployment statistics. <sup>14</sup> It is understandably rational for discouraged workers to not actively seek employment because of a dramatic decrease in demand for labor and the prohibitive transaction cost of job search during shelter-in-place mandates.

For our purpose, we define the COVID-19 discouraged workers as those who were in the labor market prior to the health crisis but withdrew during the crisis. (This allows us to not include pre-existing discouraged workers and to focus on the effects of the coronavirus shut down.) This definition is operationalized as the decline in the labor force from February to April 2020. Using this definition, the cumulative discouraged workers from February to April is 8.06 million. (We use February as the baseline because the March 2020 CPS appears to capture some of the early COVID-19 effects. The February to March figure is 1.63 million, or about a fifth of the cumulative number of unemployed and discouraged workers.)

Figure 2 reports the official CPS unemployment rates for the U.S. (blue bars) along with our estimated joblessness rates (brown bars). As context, the CPS unemployment count is 23.08 million people for April, an increase of 17.29 million persons since February. The total estimated joblessness count (unemployed plus discouraged) for the same period is 31.14 million. Including COVID-19 discouraged workers would add 5.2 percentage points to the nation's official CPS unemployment rate (14.7%) for April, resulting in a jobless rate of nearly 1 in 5 workers (19.9%).



#### Figure 2. U.S. Unemployment and Jobless Rates, 2020

Source: Unemployment Rates from BLS. Estimates for Jobless Rates by authors using BLS Data

An important distinction among the COVID-19 jobless individuals is whether they receive unemployment benefits from the state. The Unemployment Insurance program provides an economic safety net.<sup>15</sup> The UI program is funded by a premium (or tax) paid by employers, with a higher rate for firms that tend to have frequent layoffs. Before the COVID-19 crisis, state UI programs provided no more than 26 weeks of payments, which typically replaced less than half of earnings.<sup>16</sup> Placing limits on UI benefits is a way to minimize perverse incentives to remain unemployed. The main goal is to move individuals back to work as quickly as possible. Benefits are not automatic for all unemployed.<sup>17</sup> UI payments are based on prior earnings, so those who had earned more receive more. COVID-19's impact on the nation's UI program is evident in Figure 3. The number of initial claims was over 24 times as high for the week of March 28 compared to just two weeks earlier (6867K and 282K respectively). While initial claims steadily declined over the next few weeks, the levels have remained several times as high as the levels before the COVID-19 crisis. As Figure 3 shows, the growth in continued claims lagged behind the surge of initial claims, due to the difficulties of processing, approving and rejecting the avalanche of applicants. The number of continued claims peaked at 24.9 million for the week May 9, which included back payments.



Figure 3. U.S. Weekly Unemployment Insurance Claims, January 4 - May 16, 2020

Despite the surge in UI application and enrollment, there are individuals who are not enrolled in the program because they quit their job, do not meet the required minimum earnings, have exhausted benefits, or were self-employed. Some do not know that they can apply. A recent national study found that nearly three quarters of the unemployed did not apply for UI benefits, with the majority of non-applicants believing that they were not eligible for UI benefits.<sup>18</sup>

Source: https://oui.doleta.gov/unemploy/claims.asp. Data accessed June 13, 2020

#### UNEMPLOYMENT RATES, JOBLESSNESS RATES, AND UI COVERAGE

Having examined the larger economic effects of COVID-19 on the national economy, we now analyze the COVID-19 economic effects on Asian Americans. Figure 4 shows the unemployment rates and estimated jobless rates for the first 5 months of 2020 for Asians and whites. As before, the estimated jobless rates are calculated by adding the unemployment rate and the percentage change in the labor force from February 2020.

Prior to COVID-19, Asian American unemployment rates were comparable to white unemployment rates for the months of January and February at 3%. As the effects of the virus progressed, both the Asian unemployment and jobless rates increased faster than the comparable white rates. The May 2020 unemployment rates and estimated jobless rates for Asians were 15% and 21% compared to 12% and 16% for whites.



#### Figure 4. Asian and White Unemployment and Estimated Jobless Rates, 2020

Source: Unemployment Rates from BLS. Estimates for Jobless Rates by authors using BLS Data

Further evidence of the greater unemployment impact of COVID-19 on Asian Americans is shown by the Unemployment Insurance claims data. Although we do not have access to national data for Asian American UI claims data, we do have data for California and New York. Figure 5a shows the progression of California UI initial claims from mid-March virus thru the end of May 2020. For comparison, Asian American's were 16% of the labor force in February 2020. However, Asian Americans share of UI initial claims were even greater, averaging 19% over the two and a half months of the shutdow in California. Figure 5b shows similar results for New York state. Asian Americans make up about 9% of the New York state labor force. The Asian American percentage of UI claims started below that percentage at the beginning of shelter-in-place, but rose rapidly to over 14% by mid-April. Asian American UI claims in New York did level off to about 9% by the beginning of June 2020.



Figure 5a. Asian American Share of California Initial UI Claims

Source: Estimates by authors data from DOLETA and California Policy Lab



#### Figure 5b. Asian American Share of New York State Initial UI Claims and All Claims

Unemployment severely impacted the more disadvantaged Asian Americans. Figure 6 shows the percentages of UI initial claims for Asian American by education levels versus UI claims for the rest of the California labor force from mid-March through May. For example, 10% of the Asian American labor force with college degrees filed UI claims for the 2 and a half months. The comparable percentage for the rest of the California labor force was approximately the same at 9%. However, Asian Americans with less education did much worse. 83% of the Asian American labor force with a high school education of less filed for UI claims compared to 37% of the rest of the California labor force with the same level of education. The disparity in claims filing is also seen for Asian Americans with some college education with 35% of Asian American claiming unemployment versus 22% for the rest of the California labor force.

Source: Estimates by authors data from DOLETA and CITE NY Department of Labor



#### Figure 6. Asian American Initial UI Claims as a Percentage of the Labor Force by Education Level

It is likely that undocumented workers comprise a disproportionate share of the jobless individuals outside the UI system. Previous research finds that low-wage immigrants are disproportionately among those who do not qualify.<sup>19</sup> Most undocumented immigrants are currently prohibited from collecting UI, even though their employers may have contributed payments to UI funds. One possible exception includes Deferred Action for Childhood Arrivals (DACA) individuals, provided they have valid work authorization, and several states (including California) have stated unemployed DACA can apply for UI.<sup>20</sup>

Source: Estimates by authors data from DOLETA and California Policy Lab

#### INDUSTRIAL SECTORAL DIFFERENCES

Part of the reason why Asian Americans have been disproportionately affected by the shelter-in-place job losses has been due to the industries that employ Asian Americans. The hospitality and leisure industrial sector is especially hard hit. Employment in the hospitality and leisure industry fell by 49% from February 2020 to April 2020 compared to an employment drop of 14% for all industries.<sup>21</sup> In addition, the retail and other services industries were also greatly affected. Other services include repair shops and personal services such hair cutting and laundry service. Employment in retail industries fell by 15% and 23% for other services from February to April.

Almost 1 in 4 employed Asian American is employed in these 3 industries. The percentage of Asian American employment in Hospitality and Leisure in February was 9.2% compared to 7.8% of non-Hispanic whites; in the Other Services industry, the respective percentages are 5.7% and 4.8%; in the Retail industry 9.5% and 10.2% (See Figure 7).



#### Figure 7. Percentages of NH Asians and NH Whites Employed in COVID-19 Impacted Industries, February 2020

Source: Estimates by Authors using CPS data

Figure 8 shows the large increases in unemployment across these industries for Asian Americans compared to non-Hispanic whites. April unemployment rates for Asian were 39% in the Hospitality and Leisure industry; 18% in the Retail industry, and 40% in the Other Services industry. For all three industries, the Asian American unemployment rates exceeded that of non-Hispanic whites.



Figure 8. Unemployment Rates of NH Asians and NH Whites in COVID-19 Impacted Industries, February 2020 and April 2020

Source: Estimates by Authors using CPS data

#### **REGIONAL DIFFERENCES**

The Asian population is also concentrated in specific regions of the United States. Given the differences in regional economies, the impact of the coronavirus is likely to have differential impacts on Asian Americans. Figure 9 shows the non-Hispanic Asian and non-Hispanic white unemployment rates for the 4 states with the highest Asian population and Hawaii. We include Hawaii due to its heavy reliance on the tourist industry and high percentage of Asians as part of the entire state's population.



#### Figure 9. Unemployment Rates for Asians and non-Hispanic Whites, Selected States: February and April 2020

The impact of COVID-19 clearly varies across the states. The Asian unemployment rate is close to 25% in Hawaii and 17% in New York. In Texas, the April 2020 Asian unemployment rate is much higher than that of whites. However, given the relatively small sample sizes for individual states – particularly Hawaii – these differences should be seen as preliminary.

Source: Estimates by Authors using CPS data

#### SELF-EMPLOYMENT AND SMALL BUSINESSES

Small business enterprises have traditionally been a large part of the Asian economic landscape. An ongoing concern is the fate of small businesses as their smaller size, lower capitalization, and industrial sector makes them highly susceptible to closure during an economic downturn.

The CPS PUMS includes survey questions on the self-employed status for individuals. We emulate a recent paper by economist Robert Fairlie<sup>22</sup> using the CPS class of worker survey variable. This variable identifies individuals who are primarily self-employed at both an incorporated and un-incorporated business. Assuming that most of these individuals are running small businesses, the number of individuals self-employed provides an estimate of small business closures as a result of COVID-19.

We estimate the number of small businesses using two methods. The first method includes all *individuals whose primary economic activity was selfemployment*, but also includes *individuals who were not at work* during the reference week. The second method does not include *individuals who were not engaged in that activity* during the reference week. As the shelterin-place requirements would close down many small businesses such as restaurants and non-essential retailers, the latter method provides a likely upper bound of closures. The second method yields estimates that are very similar to Fairle's estimates.



#### Figure 10. 2020 Asian and Non-Hispanic White Estimated Percent Change in Number of Small Businesses from February 2020

Source: Estimates by Authors using CPS data

Figure 10 shows the estimated percentage change in small business numbers for the months of March and April compared to February 2020. In February, the number of non-Hispanic white owners of small businesses including owners not at work was 11.18 million. Using the second method, the nonwhite small business estimate drops to 10.55 million. The respective numbers for Asians are 880,000 and 820,000. By April, white small businesses fell to 10.60 million when owners not at work are included and 8.76 million when owners not at work are excluded. For Asians, the respective numbers are 879,000 and 587,000. As COVID-19 clearly led to at least temporary closures, the second method is likely an upper bound estimate of the temporary and possibly permanent business closures. For Asians, this meant a drop in 233,000 businesses from February to April representing 28% of a decline in the two-month period. Non-Hispanic white small businesses declined by 1.79 million businesses and 17% over the same period. Again, given the relatively small sample sizes for self-employed workers, these estimates should be seen as preliminary.



Image Credit: Barbra Ramos

### IV. SUMMARY

The impact of COVID-19 on the U.S. economy has been and continues to be horrendous. Official unemployment rates for the nation as a whole reached near 15% for the month of April. Moreover, recovery is likely to take time due to the uncertainties created by the virus as well as due to the mitigation policies that will continue to be in effect.

The virus has a disparate economic impact on Asian Americans. One, there appears to be an increasing difference in Asian and white unemployment rates and joblessness rates. Leading up to the shelter-in-place orders, Asian and white unemployment rates were very similar. The April 2020 unemployment and estimated joblessness rates for Asians are higher than the rates for whites. Unemployment greatly affected disadvantaged Asians as shown by the UI claims data for high school and lower levels of education. Indeed, lower income Asians in the hard-hit Hospitality and Leisure and Other Service industries were especially affected with 40% unemployment rates in both industries, compared to 36% and 19% respectively for non-Hispanic whites unemployment rates in these industries. Asian small businesses were dramatically affected. Asian self-employment dropped by 233,000 from February to April representing 28% of a decline in the two-month period. In the same period, Non-Hispanic white small businesses declined by 1.79 million businesses and 17%.

Part of the disparity of the economic effects of COVID-19 may be explained by the regional locations and industrial sectors of employment of Asian Americans. Asian Americans are heavily concentrated in a small number of states and employed in industries most affected by the shelter-in-place mandates. An important question for future research is if these disparities continue as the economy re-opens. In addition, with the apparent increase in anti-Asian sentiment in the U.S., the economic manifestation of this sentiment may have added to these disparities. As the economy continues to undergo disruptions due to virus, the total economic impacts on Asian Americans remains to be seen.

### V. POLICY RECOMMENDATIONS

The following policy recommendations aim to support Asian Americans economically during this pandemic. In particular, the marginalized, lowincome, service sector segments of the Asian American populations who face increasing difficulty in the slowly recovering economy will need support during the current health and economic crisis. Policies include:

- Enact federal policy to extend Unemployment Insurance (UI) benefits and small business assistance loan programs such as the Paycheck Protection Program (PPP) and Economic Injury Dislocation Loans Programs.
- 2. Enact additional state policies that provide state UI benefits to marginalized populations least likely to receive UI benefits from the CARES Act.
- 3. Enact additional state policies to assist small businesses such as small business Resiliency Funds that have been established by local governments.
- 4. Ensure that marginalized populations are aware of, and take advantage of resources in the governmental as well as private and philanthropic sectors to help people to weather the financial hardships of the COVID-19 storm.
- 5. Enact federal and state polices, and fund programs, to equip economically displaced persons with job skills that are marketable during and after the COVID-19 crisis. We need to invest in all workers to ensure a robust recovery.

Further, we need to continue to refine our analysis and monitor developments over time. This includes, for example, deriving new estimates from the Current Population Survey micro sample and additional data from Current Employement Statistics and UI, particularly, if we have access to the more confidential information. Nonetheless, this brief does provide some useful insights despite data and methodological limitations.

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## VI. APPENDIX DATA SOURCES

The descriptions below are based on text taken directly from the websites and documents for each of the data source.

The Current Population Survey is sponsored jointly by the U.S. Census Bureau and the U.S. Bureau of Labor Statistics (BLS) and is the primary source of labor force statistics for the population of the United States. It is the primary source for U.S. labor force statistics. The survey includes a representative sample of about 60,000 homes and focuses on those individuals who are 15 years and older to make an inferential assumption about the U.S. population as a whole. The survey asks about the employment status of each member of the household 15 years of age or older as of the calendar week containing the 12th day of the month.

In the Current Population Survey, people are classified as unemployed if they meet all of the following criteria:

- Not employed during the survey reference week.
- Available for work during the survey reference week, except for temporary illness.
- Made at least one specific, active effort to find a job during the 4-week period ending with the survey reference week (see active job search methods) OR they were temporarily laid off and expecting to be recalled to their job.
- People waiting to start a new job must have actively looked for a job within the last 4 weeks in order to be classified as unemployed. Otherwise, they are classified as not in the labor force.

This brief includes both pre-tabulated data (information already generated by the BLS) as well as information derived from the CPS public use microdata ("Basic Monthly CPS) files, specifically for the months of February and April 2020. The latter allows for special tabulations of information not published or readily available on the BLS's website. For this brief, we used the microdata files to generate statewide information on unemployment rates broken down by race and ethnicity and information on whether those surveyed "want-to-work" ("Do you currently want a job, either full or part time?").

The Current Employment Statistics program is a monthly survey conducted by the Bureau of Labor Statistics. Data produced from the CES survey include nonfarm employment series for all employees, production and nonsupervisory employees, and women employees, as well as average hourly earnings, average weekly hours, and average weekly overtime hours (in manufacturing industries) for both all employees and production and nonsupervisory employees. Payroll employment data are published for both private and government sectors. These data are available for nonfarm industries. The survey reference period is the pay period including the 12th of the month. This can vary according to an establishment's length of pay period, a factor considered when compiling the data. The CES program is a federal-state cooperative program and is based on approximately 145,000 businesses and government agencies representing approximately 697,000 worksites throughout the United States. CES data are classified and reported by industries using to the 2017 North American Industry Classification System (NAICS).

#### The 2018 American Community Survey Public-Use Micro Sample Data (ACS

**PUMS)** The ACS is a continuous survey conducted by the U.S. Census Bureau to collect housing, demographic, social and economic information. On an annual basis, the sample represents about 2.0-2.5% of households and individuals, and the PUMS contains a subset of about 1% of households and individuals. We use information from the civilian workforce 16 years of age and older in our analyses. This includes those employed at work or with a job but not at work, and unemployed adults. We also include their race and ethnicity, employment industry to identify workers in industries impacted by COVID-19 (retailing, hospitality and personal services) as well as information to estimate entry and re-entry rates, and identify low-income earners.

#### The U.S. Department of Labor's Employment and Training Administration

(DOLETA) provides weekly unemployment insurance claims data for each state. The unemployment insurance weekly claims data are used in current economic analysis of unemployment trends in the nation, and in each state. UI claims data are also used by the private sector to assess the state of the labor market and economy. The weekly release of data allows for frequent updates on the levels of unemployment. UI claims can be broken down into two categories:

- Initial claims are an employment report that measures the number of new jobless claims filed by individuals seeking to receive unemployment benefits.
- Continuing claims, also referred to as insured unemployment, measures workers who have already filed an initial claim, and who have

experienced a week of unemployment and then filed a continued claim to claim benefits for that week of unemployment. Continued weeks claimed measure the number of persons claiming unemployment benefits.

The California Policy Lab (CPL) creates data-driven insights for the public good by facilitating close working partnerships between policymakers and researchers at UCLA and UC Berkeley to help evaluate and improve public programs through empirical research and technical assistance. Through a partnership with the Labor Market Information Division of the California Employment Development Department, CPL is analyzing daily initial UI claims to provide an in depth and near real-time look at how the COVID-19 crisis is impacting various industries, regions, counties, and types of workers throughout California. CPL analyses are updated on a biweekly basis and data are made available to the public. We use the CPL's reported data on UI coverage by race and ethnicity to supplement UI data derived from the U.S. Department of Labor's Employment and Training Administration.

The New York State Department of Labor's Division Research and Statistics

currently publishes a weekly report on initial unemployment claims by state geographic location, industry, gender, age, and race. We access the reports for the time period from the Dept. of Labor website for the weeks beginning in March to the first week of June. For example, the week ending May 9 is accessed at https://www.labor.ny.gov/stats/PDFs/Research-Notes-Initial-Claims-WE-5092020.pdf.

### VII. ENDNOTES

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