

THE COVID-19 PANDEMIC HAD AN UNPRECEDENTED EFFECT ON THE JOBS AND INCOMES OF NEW YORK STATE RESIDENTS, in addition to upending social norms and taking the lives of thousands. However, the pandemic’s burden was not evenly distributed across our population. The Fiscal Policy Institute found that Black workers statewide, who already had higher rate of unemployment prior to the pandemic, experienced even greater losses.

Our first analysis compares the employment measures among Black New Yorkers between March to November 2019 and March to November 2020 – in other words, before and during the pandemic. While unemployment (the U-3 rate) among Black adults has always been higher than that across the whole state population, we see (in Table 1) that both rates escalated due to pandemic layoffs, so that, on average, one in seven Black adults were jobless during these nine pandemic months, compared to one in fourteen during “normal” times.

On Every Labor Market Measure, Black New Yorkers Have Seen Worse Pandemic Effects Than Other Adults

	9-month averages					
	Employed	Unemployed	Labor force participation	Unemployment rate (U-3)	Expanded* Unemployment rate (U-6)	Unemployed for over 6 months**
<u>All New York adults</u>						
March - November 2019	9,129,100	375,100	60.7%	3.9%	5.5%	100,100
March - November 2020	8,181,500	1,081,800	59.3%	11.7%	15.1%	162,100
Change	-10%	+188%	-1.4 pts	+7.7 pts	+9.6 pts	+62%
<u>Blacks, non-Hispanic</u>						
March - November 2019	1,160,900	85,500	57.7%	6.9%	9.7%	32,600
March - November 2020	1,033,700	161,000	54.1%	13.5%	16.8%	36,000
Change	-11%	+88%	-3.6 pts.	+6.6 pts.	+7.1 pts.	+10%

Table 1. Source: Fiscal Policy Institute analysis of Current Population Survey microdata provided by IPUMS (IPUMS-USA, University of Minnesota, www.ipums.org), adjusted to seasonally adjusted Local Area Unemployment Statistics.

Notes:

*In addition to those officially unemployed, the U-6 factors in those who would take a job if they could find one, plus those who are working part-time because they could not find full-time work.

**Research has shown that unemployment over 6 months significantly decreases peoples' chance of finding work in the future.

However, the U-3 numbers hide two related pandemic effects: thousands of Black adults across the state left the Labor Force entirely (note the drop in Labor Force Participation), meaning that they gave up on looking for paid work and were therefore no longer counted in the U-3 unemployment measure. The expanded unemployment rate (U-6) includes these people; one in six Black adults across the state are counted here, compared to one in ten during “normal” times.

As has been noted by several commentators¹, unemployment rates (even the more inclusive U-6) do not tell the whole story. If we want to know how far we are from “full employment,” the metric we want is the portion of working-age adults who actually have jobs, known as the Employment-to-Population Ratio, or EPOP. Figure 1 shows that this ratio was already lower for Black New Yorkers than others in 2019. But Black New Yorkers lost 8.5 percentage points in this measure during the ten months of the pandemic in 2020, compared with the rest of New York adults, who lost 6.0 percentage points.

The Employment-to-Population Ratio Was Already Lower for Black New Yorkers, and Has Been Even Worse During the Pandemic

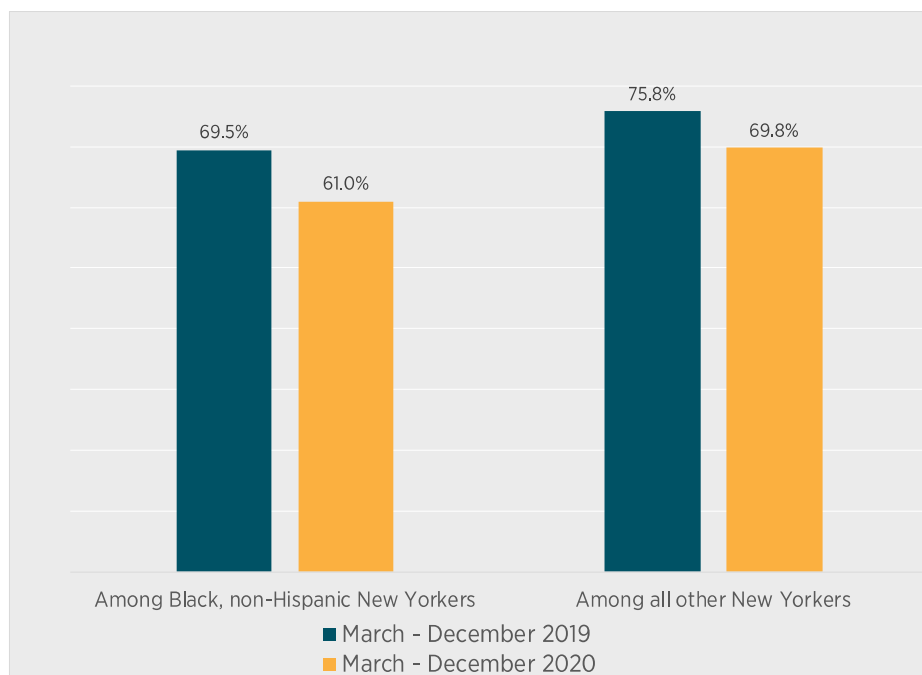


Fig. 1. EPOP ratios among prime working-age adults, 25 to 64. Source: Fiscal Policy Institute analysis of Current Population Survey microdata provided by IPUMS (IPUMS-USA, University of Minnesota, www.ipums.org).

Job Losses by Industry

We then asked whether job losses among Black New Yorkers were centered in particular industries. Table 2 shows our estimates of job losses from the ten pre-pandemic months March to December 2019 to the latest ten months for which we have data,² March to December 2020.

One possible explanation for the substantial increase in government employment among Black New Yorkers (+25,700) may reflect the substantial hiring of unemployment insurance processors early in the pandemic period (among all other New Yorkers, there was a net loss of government jobs).

Black New Yorkers' job losses were centered in Retail and Other services (one job in three lost in each); Arts & entertainment (more than two jobs in three lost); and Manufacturing (a loss of nearly one in two jobs); and Accommodations & Food services (one in four). Unfortunately, data limitations allow us no way to dig deeper into these different distributions.

¹ See, for example, “Why Top Economists Are Citing a Higher Jobless Rate,” by Jeanna Smialek, *New York Times*, February 23, 2021, <https://www.nytimes.com/2021/02/22/business/economy/unemployment-rate-covid.html>

² The analysis for table 1 was done in December, and the one for figure 1 in early February. Thus the one-month difference in the data ranges. (Our investigation of the data suggested that we would learn nothing new by extending the first analysis through December). We also concluded that, while survey samples for Black residents in the Current Population Survey were weak, they sufficed for these estimates. There were approximately 2,000 interviews of Black NY workers in each ten-month sample.

Black New Yorkers Have Lost Over 130,000 Jobs During the Pandemic, Across Almost All Industry Sectors

Broad Industry Group	2019	2020	Change
Retail	111,600	75,000	-36,600
Other services	62,900	42,600	-20,300
Arts & entertainment	26,700	8,300	-18,400
Health care & Social services	340,100	322,200	-17,900
Manufacturing	35,300	18,500	-16,800
Accommodations & food services	62,800	46,600	-16,200
Management & Administrative	61,100	50,900	-10,200
Transportation & Warehousing	102,500	95,300	-7,200
Construction & Utilities	52,400	45,400	-7,000
Information	29,400	23,200	-6,200
Professional, Scientific, & Technical	65,500	59,800	-5,700
Wholesale trades	12,100	8,400	-3,700
Educational services (Private)	83,800	86,200	+2,400
Finance, Insurance, & Real Estate	59,400	63,500	+4,100
Public administration (government)	60,300	86,000	+25,700
Total	1,166,100	1,031,700	-134,400

Table 2 Ten-month average employment (March to December) each year. Source: Fiscal Policy Institute analysis of Current Population Survey microdata provided by IPUMS (IPUMS-USA, University of Minnesota, www.ipums.org).

Unemployment Insurance Claims

We do have another piece of data about how Black New Yorkers have fared during the pandemic: the number of initial unemployment insurance claims. The New York State Department of Labor publishes weekly fact sheets³ breaking out claimants by race, among other factors.⁴ These weekly numbers are quite volatile, since it seems claims are reported whenever they are entered into the system, so our chart uses a four-week moving average to smooth the data.

As of the week ending February 6, 2021, the total initial unemployment insurance filings by Black New Yorkers since the week ending March 28, 2020, was 838,473.

³ See <https://labor.ny.gov/stats/weekly-ui-claims-report.shtm>

⁴ Unlike the microdata sources used in the analyses for tables 1 and 2, the state does not exclude those filers who identify as Black *and* Hispanic from the counts of Black filers.

The Number of Weekly Unemployment Insurance Claims from Black New Yorkers Has Begun Leveling Off

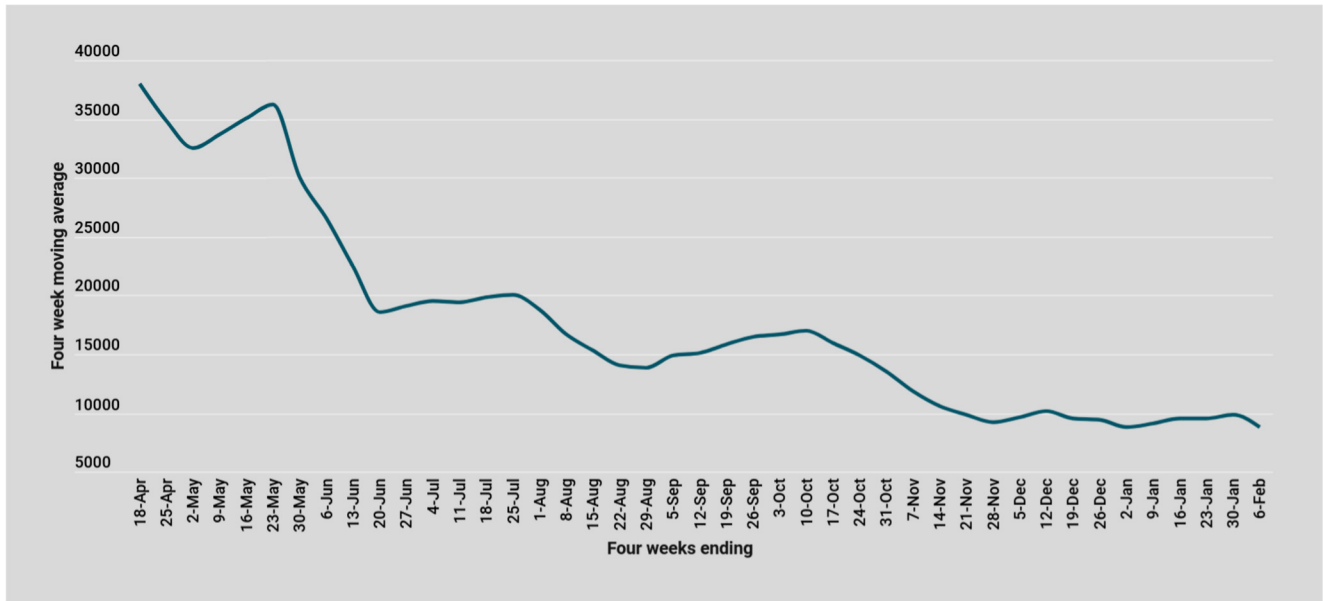


FIG 2. Source: New York State Department of Labor, at <https://labor.ny.gov/stats/weekly-ui-claims-report.shtm>