

COVID-19: UNEMPLOYMENT UPDATE



Data and Information current as of August 10, 2020

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NEW UNEMPLOYMENT CLAIMS

For the week of August 1st, new UI claims in the United States decreased to the lowest level since the beginning of the COVID lockdown in March – 1.2 million new claims. In Maryland, some UI claimants are now eligible 13 weeks of extended benefits (EB) through the Federal-State Extended Benefits Program. Federal and state DOL reports began publishing these data this week. New regular claims in MD and MoCo were down 25% from last week and new PUA claims were down 37% MD and 29% in MoCo. The U.S. and Maryland data for past weeks reflect revised numbers from the U.S. Labor Department.

Week of 2020	US (SA)	Maryland (NSA)					Montgomery County*				
		Total	Regular	PUA	PEUC	EB	Total	Regular	PUA	PEUC	EB
August 1	1,186,000	16,503	9,762	6,741	no data reported	no data reported	2,245	1,148	965	47	85
July 25	1,435,000	23,763	13,038	10,725	no data reported	no data reported	2,975	1,531	1,364	80	
July 18	1,422,000	44,079	17,242	15,670	10,984	183	3,509	1,869	1,535	105	
July 11	1,307,000	48,431	19,463	17,594	11,374	0	4,125	2,169	1,896	60	
July 4	1,310,000	44,538	33,191	**	11,347		2,172	2,099	**	73	
June 27	1,413,000	55,554	22,623	32,931	11,781		3,510	2,058	1,353	99	
June 20	1,482,000	58,786	32,549	14,538	11,699		4,863	3,210	1,540	113	
June 13	1,540,000	51,872	23,450	17,843	10,579		5,419	2,747	2,590	82	
June 6	1,566,000	60,042	41,638	9,762	8,642		7,047	5,681	1,268	98	
May 30	1,877,000	49,331	31,920	10,181	7,230		6,409	4,810	1,527	72	
May 23	2,126,000	54,221	33,991	14,297	5,983		7,589	5,215	2,374	49	
May 16	2,446,000	56,134	35,111	15,448	5,575		7,795	5,229	2,566	58	
May 9	2,981,000	64,467	45,485	18,982	0		10,301	7,133	3,168	90	
May 2	3,169,000	111,006	63,253	44,280	3,473		18,943	11,074	7,869	249	
April 25	3,846,000	37,925	37,925	--	2,361		5,615	5,615	--		
April 18	4,442,000	48,495	48,495	--	0		6,938	6,938	--		
April 11	5,237,000	62,904	62,904	--			9,548	9,548	--		

* Initial state data ** Federal and state data are unclear for this week
SA=seasonally adjusted NSA=not seasonally adjusted

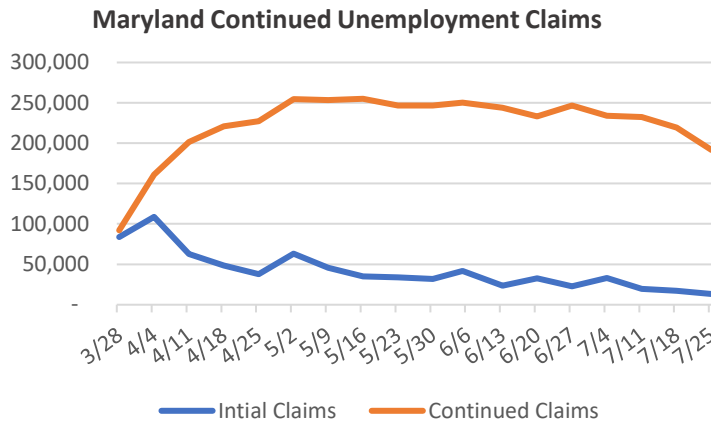
PUA = Pandemic Unemployment Assistance Program in the federal CARES Act that extends unemployment benefits to workers previously not covered (gig workers, self-employed, etc.)

PEUC = Pandemic Emergency Unemployment Compensation Program in the federal CARES Act that extends regular state unemployment benefits for an additional 13 weeks

Sources: U.S. and Maryland Departments of Labor <https://www.dol.gov/ui/data.pdf>; <https://www.dlir.state.md.us/employment/uicounty.shtml>

CONTINUED UNEMPLOYMENT CLAIMS IN MARYLAND

“Continued unemployment claims” measure the number of people collecting unemployment benefits on a weekly basis. These data are released one week later than initial claims data and are available at the state level. For July 25th, continued unemployment claims in Maryland totaled 191,577, a decrease of 12.5% (27,452 claims) compared to the week of July 18th. Data in the table for past weeks reflect revised numbers from the U.S. Labor Department.



Source: U.S. Departments of Labor, <https://www.dol.gov/ui/data.pdf>

Week of 2020	Regular Continued Claims	Regular Initial Claims
July 25	191,577	13,038
July 18	219,029	17,242
July 11	232,305	19,463
July 4	233,850	33,191
June 27	246,437	22,623
June 20	233,086	32,549
June 13	243,711	23,450
June 6	250,269	41,638
May 30	246,535	31,920
May 23	246,542	33,991
May 16	255,017	35,111
May 9	253,212	48,485
May 2	254,473	63,253
April 25	226,972	37,925
April 18	220,723	48,495
April 11	201,432	62,904
April 4	160,906	108,508
March 28	92,082	83,536

FEDERAL UNEMPLOYMENT BENEFITS...

Congress and the White House have been unable to come to an agreement on another stimulus package. As of Friday, August 7, Democrats had a \$3.4 trillion proposal and Senate Republicans had a \$1.1 trillion proposal. On Saturday, August 8, President Trump signed a memorandum to provide additional an additional \$400 in unemployment weekly benefits. To clarify some reporting on the issues, the document that the President signed on Saturday is a memorandum, not an Executive Order, and carries different legal weight. These \$400 weekly unemployment benefit would not be provided through the same program as the \$600 weekly benefits provided under the CARES Act.

Issues raised about the memorandum and the unemployment benefits provided therein include:

- Are the actions specified in the memorandum constitutional?
- The memorandum requires states to fund 25% of the unemployment benefit – or \$100 weekly. Can states afford this?
- Because this would be a new federal program, states would need to set up an entirely new administrative system to provide the benefits. Do states have the resources to do this?

Media reporting on the memorandum and these benefits question whether workers will actually receive any funding based on the President’s actions.

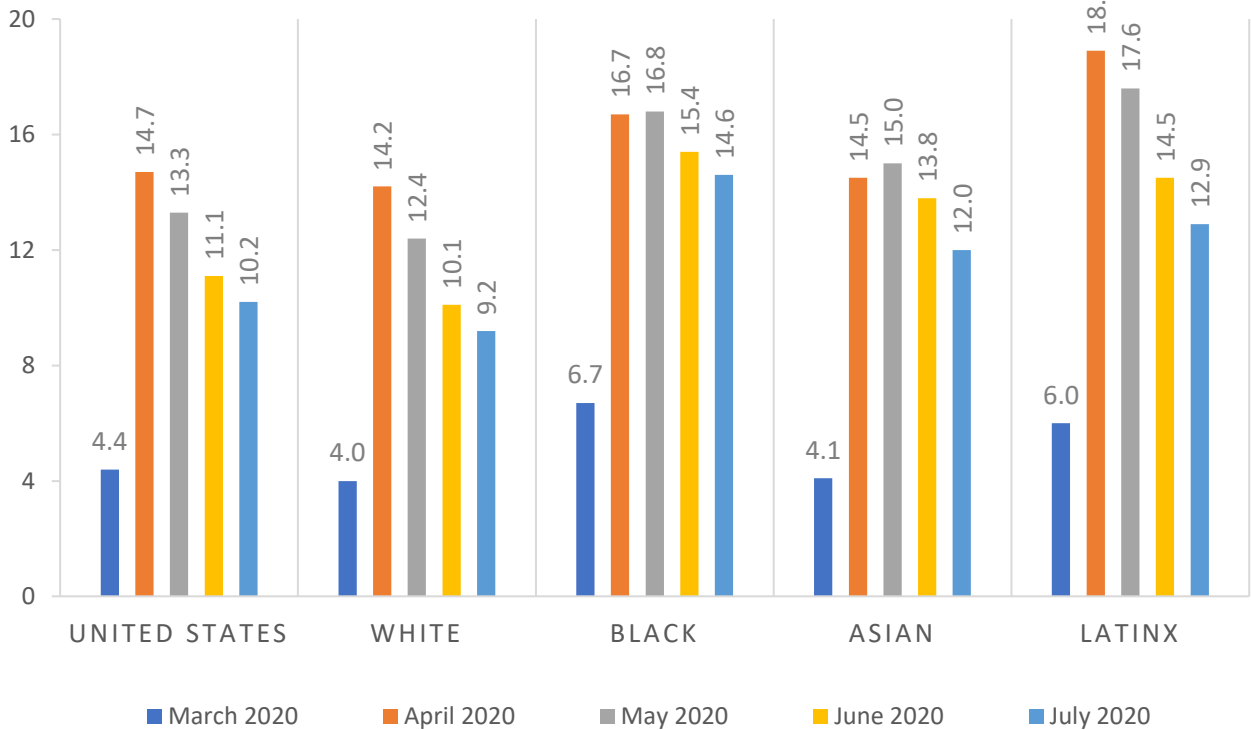
Sources: <https://www.whitehouse.gov/presidential-actions/memorandum-authorizing-needs-assistance-program-major-disaster-declarations-related-coronavirus-disease-2019/>; <https://www.cnn.com/2020/08/09/politics/trump-executive-actions-coronavirus-explainer/index.html>; <https://www.cnn.com/2020/08/08/politics/trump-executive-order-stimulus/index.html>; <https://nymag.com/intelligencer/2020/08/what-we-know-about-trumps-new-executive-orders.html>; <https://www.npr.org/2020/08/09/900674818/democrats-slam-trumps-executive-actions-critiquing-both-substance-and-legality>

THE EMPLOYMENT SITUATION – July 2020

Data from the U.S. Bureau of Labor Statistics (BLS) show that impacts of the COVID-19 pandemic continued to impact the U.S. labor market in July 2020. Employment in the U.S. rose by 1.8 million in July and the national unemployment rate declined from 11.1% to 10.2%. As in June, employment in food services and drinking places accounted for approximately one-third of the increase. Employment also increased in government, retail trade, professional and business services, other services, and health care.

Following BLS' misclassification of employees in March through May 2020 that led to understatements of the monthly unemployment rates by approximately three percentage points each month, misclassification was down significantly in June and July 2020. The unemployment rates would be – at most – one percentage point higher than the reported June and July rates.

U.S. UNEMPLOYMENT RATES (%)

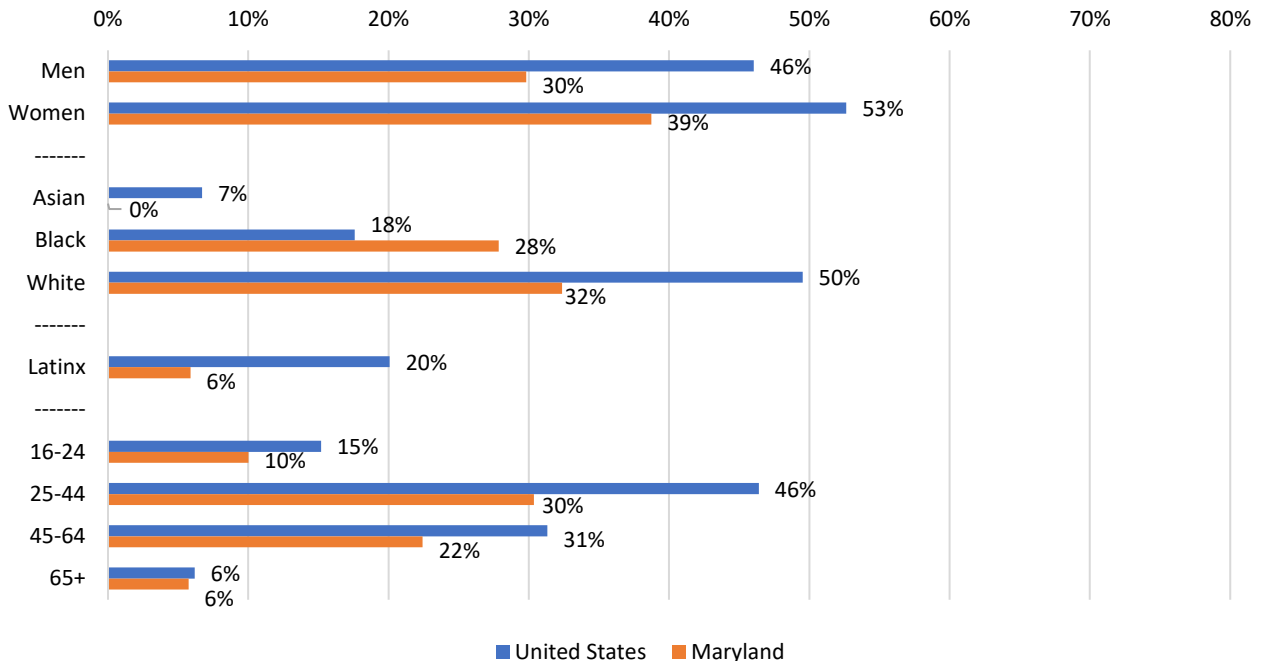


Source: <https://www.bls.gov/news.release/pdf/empst.pdf>

CHARACTERISTICS OF UNEMPLOYMENT INSURANCE (UI) CLAIMANTS, June 2020

The U.S. Department of Labor reports monthly UI claimant demographic data at the national and state level. Data are through June 19. There were significant gaps in the availability of demographic data for Maryland UI claimants in June. The percentage of Maryland data unavailable in June for each category is: sex – 31%, ethnicity – 34%, race – 39%, age – 25%, industry – 41%. The reported data for the U.S. and Maryland are included below but cannot be validly compared due to the gaps in Maryland data.

Characteristics of UI Claimants, June 2020



Note: Totals may not sum to 100%. Data on sex, race, ethnicity, age, and industry were not available for approximately 25% to 40% of all Maryland claimants for each category. Source: <https://oui.doleta.gov/unemploy/chariu.asp>

% of Maryland UI Claimants by Industry, June 2020

Accommodation and Food Services	14.3%
Administration and Support/Waste Management <i>(includes temporary help services and services to buildings and dwellings)</i>	5.6%
Arts, Entertainment and Recreation	3.0%
Construction	3.5%
Education Services	4.0%
Healthcare and Social Assistance <i>(includes childcare)</i>	7.8%
Other Services <i>(includes laundry services, personal care services, pet services)</i>	3.9%
Professional/Scientific/Technical Services	3.0%
Retail Trade	3.4%

Source: <https://oui.doleta.gov/unemploy/chariu.asp>