

COVID-19: UNEMPLOYMENT UPDATE



Data and Information current as of September 14, 2020

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www.montgomerycountymd.gov/olo

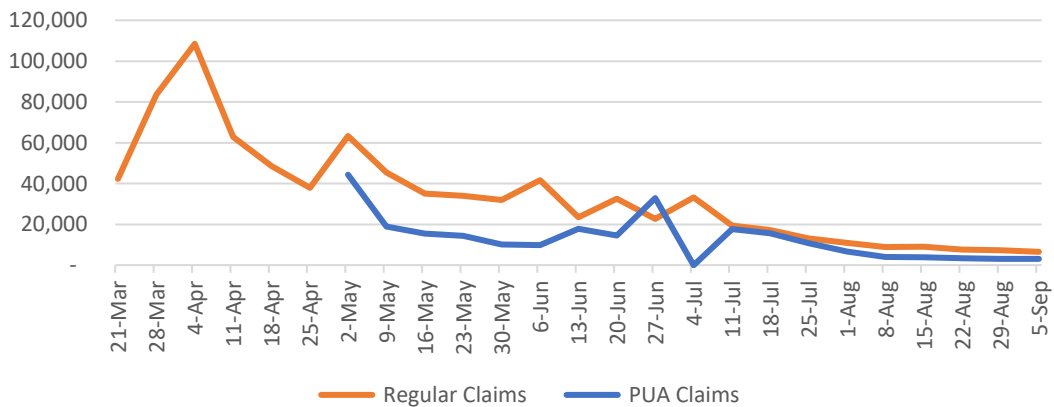
NEW WEEKLY UNEMPLOYMENT CLAIMS

For the week of ending March 14, 2020, Maryland workers filed 3,717 new unemployment insurance (UI) claims. The following week, MD workers filed 42,334 new UI claims. The number of UI claims reached a high of 108,508 new claims in MD and a high of 15,751 in Montgomery County the week ending April 4th.

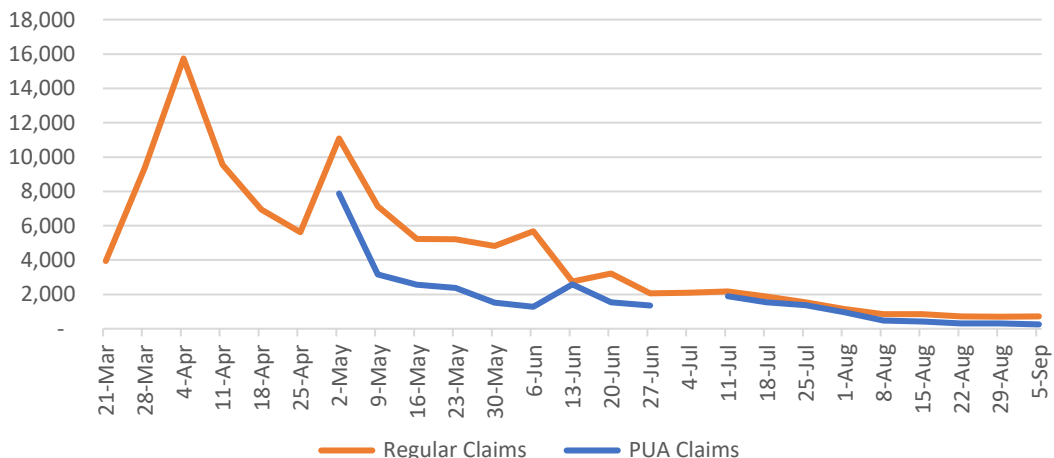
Beginning the week ending May 2nd, MD Department of Labor began accepting claims for Pandemic Unemployment Assistance (PUA) – the federal program that extended UI benefits to workers who previously did not qualify (e.g., self-employed, contract and gig workers). New weekly PUA claims were highest in the State and the County that week, with 44,280 new PUA claims in Maryland and 7,869 new claims in Montgomery County. Over the past five weeks, Montgomery County has seen an average of 767 new weekly regular claims and 356 new weekly PUA claims.

Sources: <https://oui.doleta.gov/unemploy/archive.asp>; <https://www.dllr.state.md.us/employment/uicounty.shtml>

Maryland New Weekly Unemployment Claims



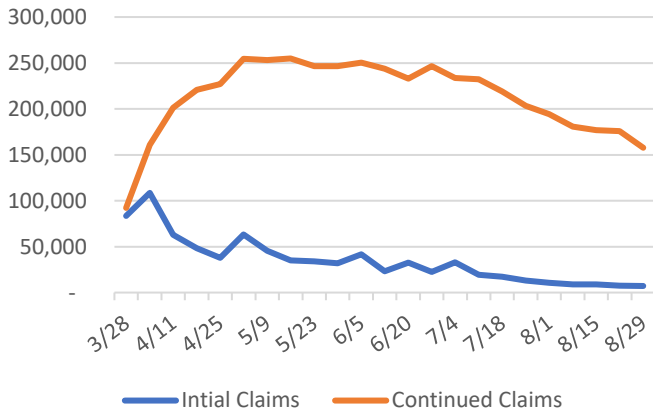
Montgomery County New Weekly Unemployment Claims



CONTINUED REGULAR UNEMPLOYMENT CLAIMS IN MARYLAND

“Continued unemployment claims” measure the number of people collecting regular unemployment benefits on a weekly basis. These data are released one week later than initial claims data and are available at the state level. Continued unemployment claims in Maryland peaked in mid-May with 255,017 claims. From May 30th through August 29th continued claims decreased by 36% (88,745 claims). As of August 29th, continued unemployment claims in Maryland totaled 157,790, a decrease of 18.8% (36,601 claims) compared to end of July.

Maryland Continued Unemployment Claims



Maryland Continued Unemployment Claims (May – Aug. 2020)

Report Period Ending	No. of Continued Claims	Decrease From Prior 4-week Period
May 30	246,535	--
July 4 th	233,850	-12,685 (-5.2%)
August 1	194,391	-39,459 (-16.9%)
August 29	157,790	-36,601 (-18.8%)

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

FEDERAL UNEMPLOYMENT BENEFITS...

As of mid-September 2020, Congress and the White House have been unable to come to an agreement on another stimulus package. On August 8, 2020, President Trump signed a memorandum giving states the option to opt into a program to provide workers an additional \$300 in weekly federal unemployment benefits and with an additional option for states to provide an additional \$100 weekly (for \$400 in total weekly benefits) – called the Lost Wages Assistance Program.

The President authorized the Federal Emergency Management Agency (FEMA) to use up to \$44 billion from Disaster Relief Funds for the program. The vast majority of states, including Maryland, opted to only provide the \$300 federal weekly payment and the program had adequate funding to provide workers six weeks of benefits. To qualify for the federal benefit, workers must qualify to collect at least \$100 in weekly state unemployment benefits, which excludes some of the lowest-paid unemployed workers from the program.

Last week, the Senate failed to advance a Republican-proposed “skinny” coronavirus relief bill. It is unclear whether Congress will be able to agree on and pass a new bill before the November 3rd election.

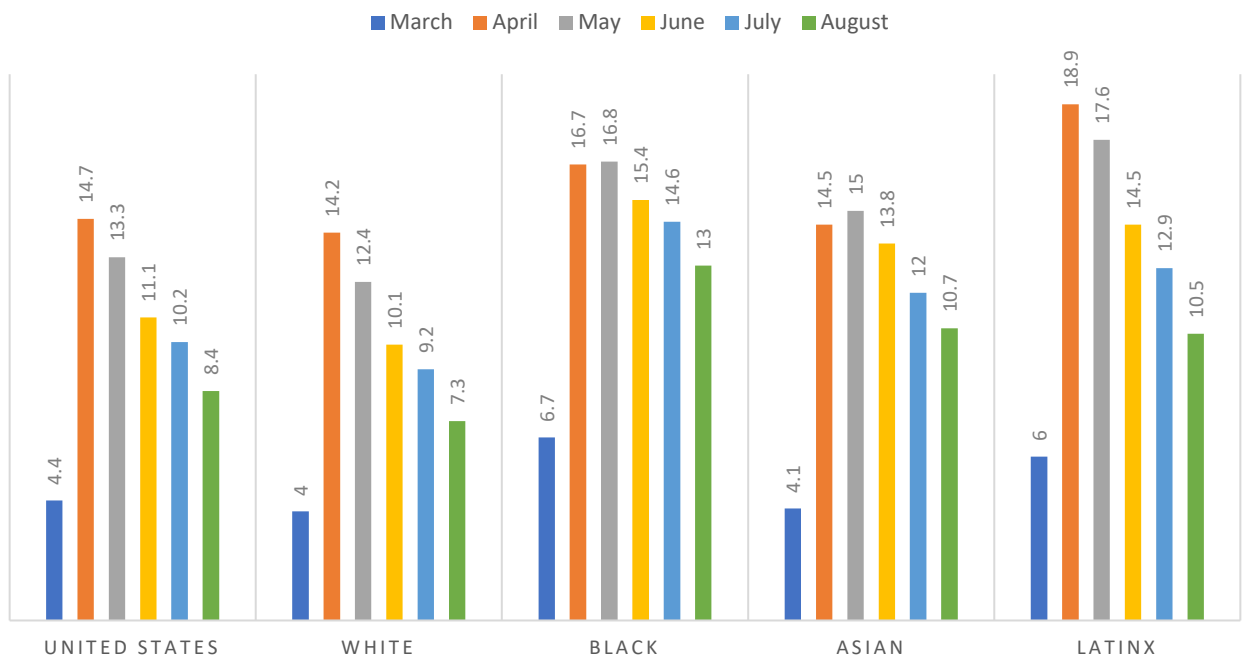
Sources: <https://www.fema.gov/disasters/coronavirus/governments/supplemental-payments-lost-wages-guidelines>; <https://www.unemploymentpua.com/articles/lwatracker.html#lwatable>; <https://www.cbsnews.com/news/unemployment-trump-300-jobless-aid-extended-six-weeks/>; <https://www.washingtonpost.com/us-policy/2020/09/11/lost-wages-unemployment-assistance-expiring/>; https://www.washingtonpost.com/local/md-politics/maryland-unemployment-boost/2020/08/19/a6f1cb12-e242-11ea-8181-606e603bb1c4_story.html; <https://www.cnet.com/personal-finance/could-a-stimulus-bill-pass-before-the-election-where-negotiations-stand-today/>; <https://www.cbsnews.com/news/covid-relief-bill-senate-vote-fails-republicans/>

THE EMPLOYMENT SITUATION – August 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 August 2020. Employment in the U.S. rose by 1.8 million in July and 1.4 million in August. The national unemployment rate declined from 10.2% to 8.4% from July to August. Compared to February 2020, however, the August 2020 unemployment rate was 4.9 percentage points higher and the number of unemployed persons was 7.8 million higher.

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 and 0.7 percentage points higher than the reported August rates.

U.S. UNEMPLOYMENT RATES, 2020 (%)



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

INDUSTRY AND OCCUPATION DATA FOR MONTGOMERY COUNTY UNEMPLOYMENT INSURANCE (UI)

CLAIMANTS The Maryland Department of Labor reports total UI claims and select industry and occupation data for UI claimants by county (based on employment). In Montgomery County, MD DOL reported a total of 133,310 claims between March 1st and September 5th: **78,820** regular UI claims; **52,070** Pandemic Unemployment Assistance (PUA) claims; **1,820** Pandemic Emergency Unemployment Compensation (PEUC) claims; and **420** Extended Benefits (EB) claims.

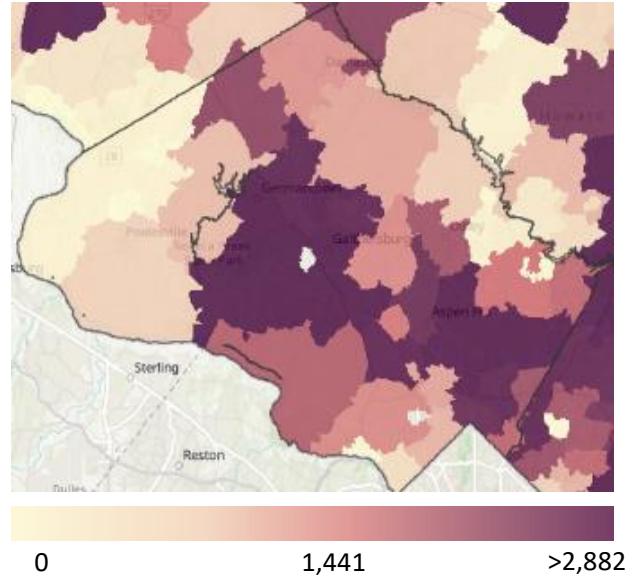
Regular UI Claims. MD DOL reports industry data for regular UI claims. Almost one-half of all regular UI claims in the County were in three industries: Accommodations and Food Services; Health Care and Social Assistance; and Retail Trade (47%, 37,150 claims). Regular UI claims were concentrated along the I-270 Corridor, East County, and largely outside the beltway.

% of Montgomery County Regular UI Claims by Industry

Industry	No. of Regular UI Claims	% of Total
Total Regular UI Claims (All Industries)	78,820	
Accommodation/Food Services	12,800	16%
Health Care and Social Assistance	12,260	16%
Retail Trade	12,090	15%
Other Services	6,500	8%
Profess., Scientific, Technical Svcs	5,450	7%
Admin., Support, Waste Services	5,390	7%
Education Services	4,500	6%
Arts, Entertain., and Recreation	3,130	4%
Construction	2,750	3%
Transportation and Warehousing	1,940	2%

Source: <https://www.dlr.state.md.us/lmi/uicountyindustry/>

No. of Regular UI Claims by Zip Code



PUA, PEUC, and EB Claims. MD DOL reports occupation data for PUA, PEUC, and EB claims. Over half (54%) of pandemic-related UI claimants held occupations in the below five fields. PUA claims were concentrated in the Germantown/Gaithersburg area and Silver Spring.

% of Montgomery County PUA, PEUC, and EB UI Claims by Occupation

Occupation	No. of Claims	% of Total
Total PUA, PEUC, and EB Claims (All Occupations)	54,360	
Personal Care & Service	7,280	13%
Sales	6,770	12%
Transport. & Material Moving	6,380	12%
Food Preparation & Serving	5,080	9%
Office Support	3,980	7%

Source: <https://www.dlr.state.md.us/lmi/uicountyindustry/>

No. of PUA Claims by Zip Code

