**The Inequities of Job Loss and Recovery Amid the COVID-19 Pandemic**

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The COVID-19 pandemic has spawned devastation across the United States. All segments of the population have been impacted, but, people of color have borne the brunt of infections from the Coronavirus and deaths from COVID-19. Nationally Latinos and Blacks are contracting the virus at rates three times higher than Whites.1 Blacks are also dying at a rate 3.6 times, and Latinos 2.5 times, higher than Whites.2 Furthermore, Blacks and Latinos have sustained major setbacks to their economic sustainability.

The pandemic led to the loss of approximately 25 million jobs between February and April and a recovery of about 9 million of these jobs between April (?) and June.3 This represents a historically unprecedented level of unemployment and while as of June, some areas have exhibited a slow recovery, the near term prospects for those who have lost jobs is uncertain at best. While the pandemic has impacted everyone’s work life, it has done so unequally. Indeed, the rising job loss has been particularly devastating for Blacks and Latinos who have experienced exceptionally high levels of unemployment and slow rates of job recovery.4

While the overall national portrait of the impact of the virus on the economy and job situation is becoming increasingly clear, much less is known for different subgroups within the country. Job loss and recovery have been much more challenging for certain racial/ethnic, gender, and nativity groups. Policy makers and community leaders need information to monitor and act on the variations that exist in order to ensure that certain segments of the population are not left behind in economic recovery from the pandemic. Certainly, tens of millions of workers who have lost their jobs stand to lose the additional $600 unemployment payment from the CARES Act at the end of July. Moreover, undocumented immigrants - including their citizen spouses - were ineligible to receive the $1,200 stimulus check that many Americans received.5 Disturbingly, as hotspots of infections and deaths have cropped up recently, beginning in mid-July there was an uptick of 1.4 million persons filing for unemployment for the first time, reversing a 15-week decline.6

This research is one of the first efforts to provide a broad and comprehensive overview of the inequities in job loss and recovery over the last several months of the pandemic. Our analysis highlights the wide variations in job loss and recovery that have taken place to date across the nation’s demographic groups that have historically suffered disparities in the workforce including persons of color, women, and immigrants. Unfortunately, the calamity of the pandemic comes on the heels of major improvements in their job prospects that these groups have made over the last decade, as the workforce emerged from the Great Recession.

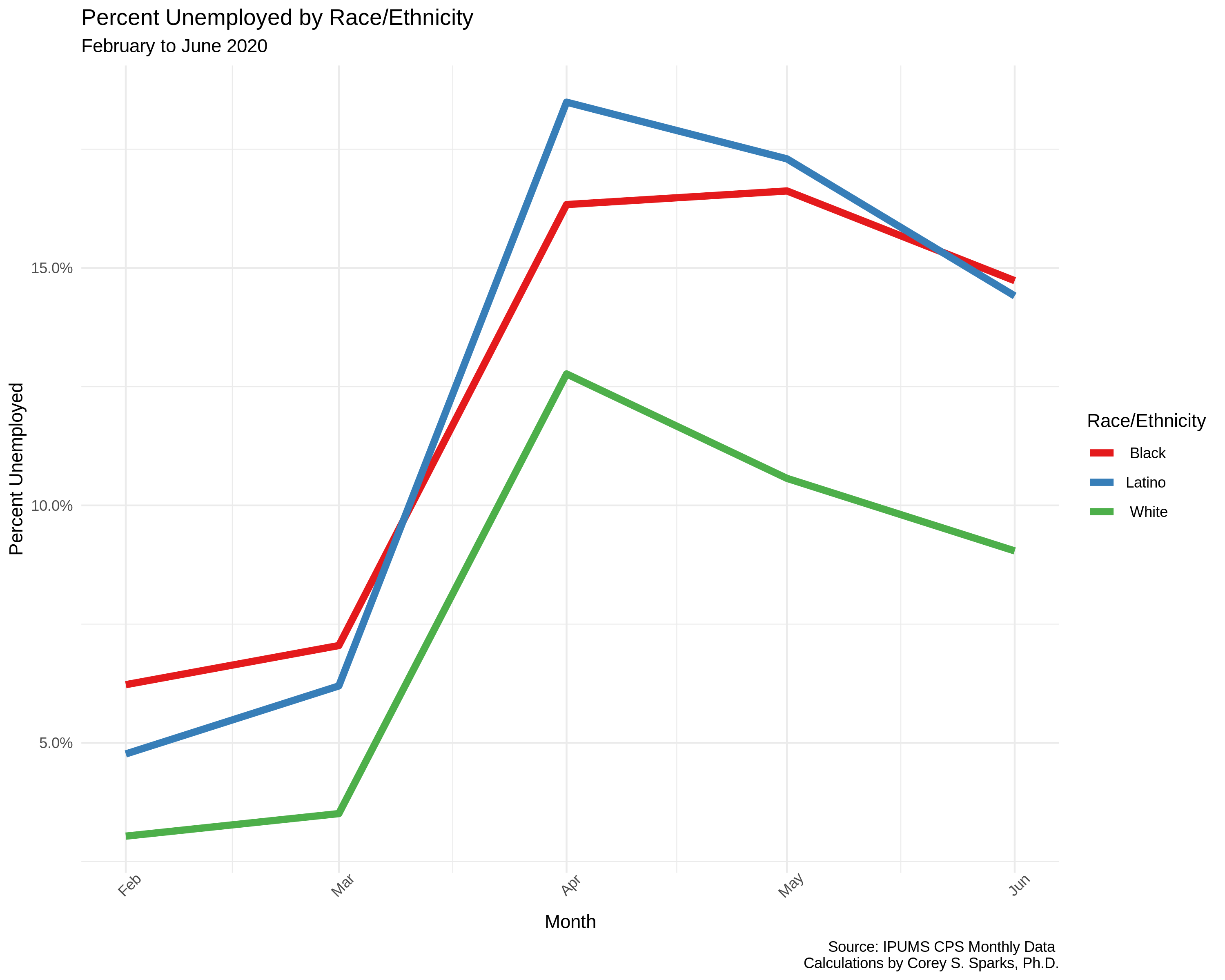
**Unemployment**

**The Nation’s Unemployment Portrait**

The U.S. unemployment rate nearly tripled between February and April from 3.9 percent to 14.6 percent. During this period, employment plummeted by approximately 24.7 million jobs, with about one of every six jobs in February lost by April. Since April, the country’s unemployment level has inched downward, falling to 13.0 percent in May and to 11.2 percent in June. Between April and June, there was a growth of 9.1 million jobs, an increase of 7.5 percent.

**The Racial and Ethnic Divide in Unemployment**

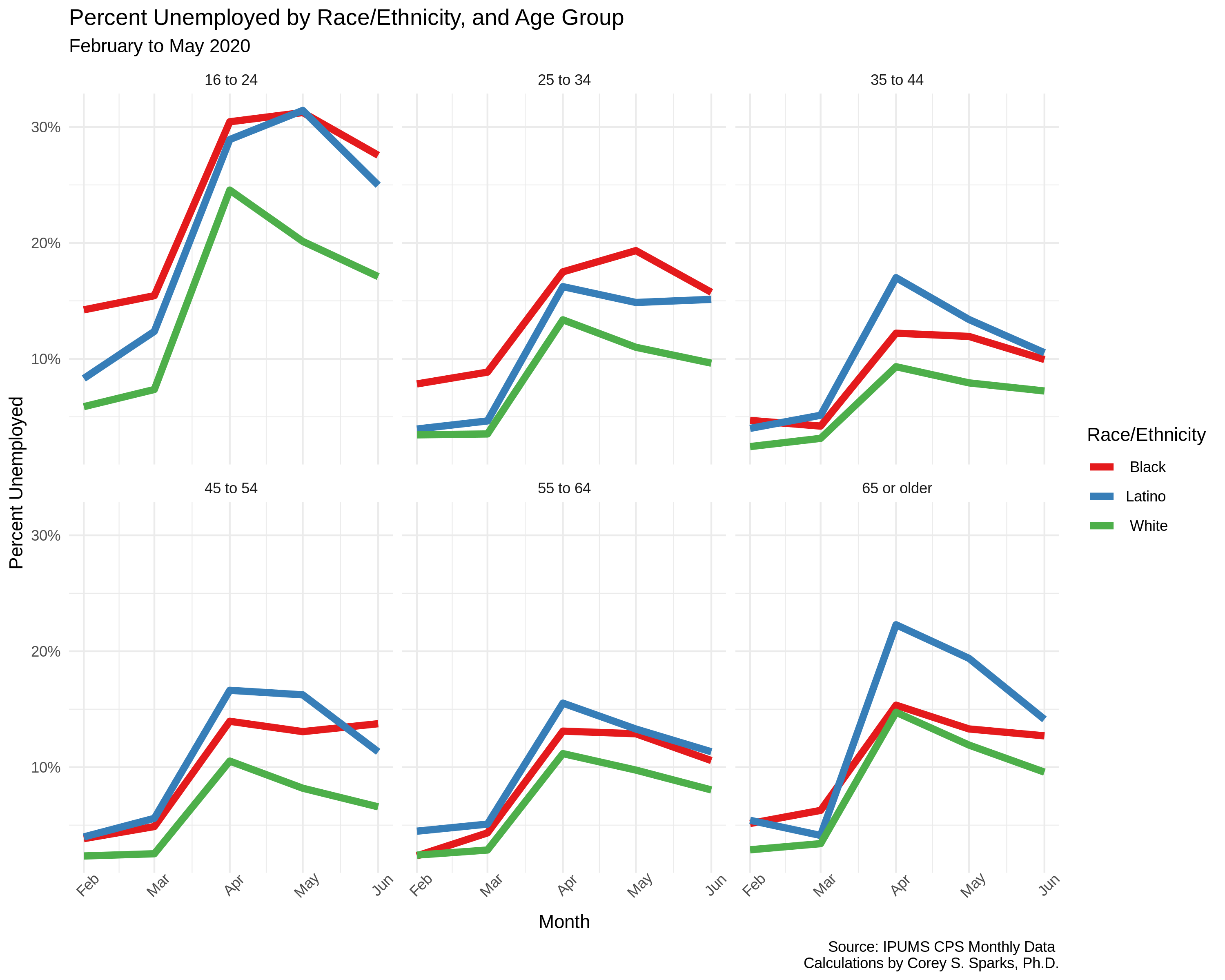
While job loss has been universal, it has been particularly devastating to people of color. Figure 1 illustrates the monthly rates of unemployment among the largest race/ethnic groups between February and June 2020. The level of unemployment started to rise in March and peaked in April, across the board. In April, Latinos had the highest unemployment rate at nearly 19 percent followed by Blacks at 16.4 percent. Whites had the lowest unemployment level at approximately 13 percent. The White jobless rate continued a downward slide subsequently to a low of 9.2 percent in June with Blacks (14.9%) and Latinos (14.6%) having the highest rates that month.



**Figure 1. Unemployment rates by race/ethnicity from February to June, 2020**

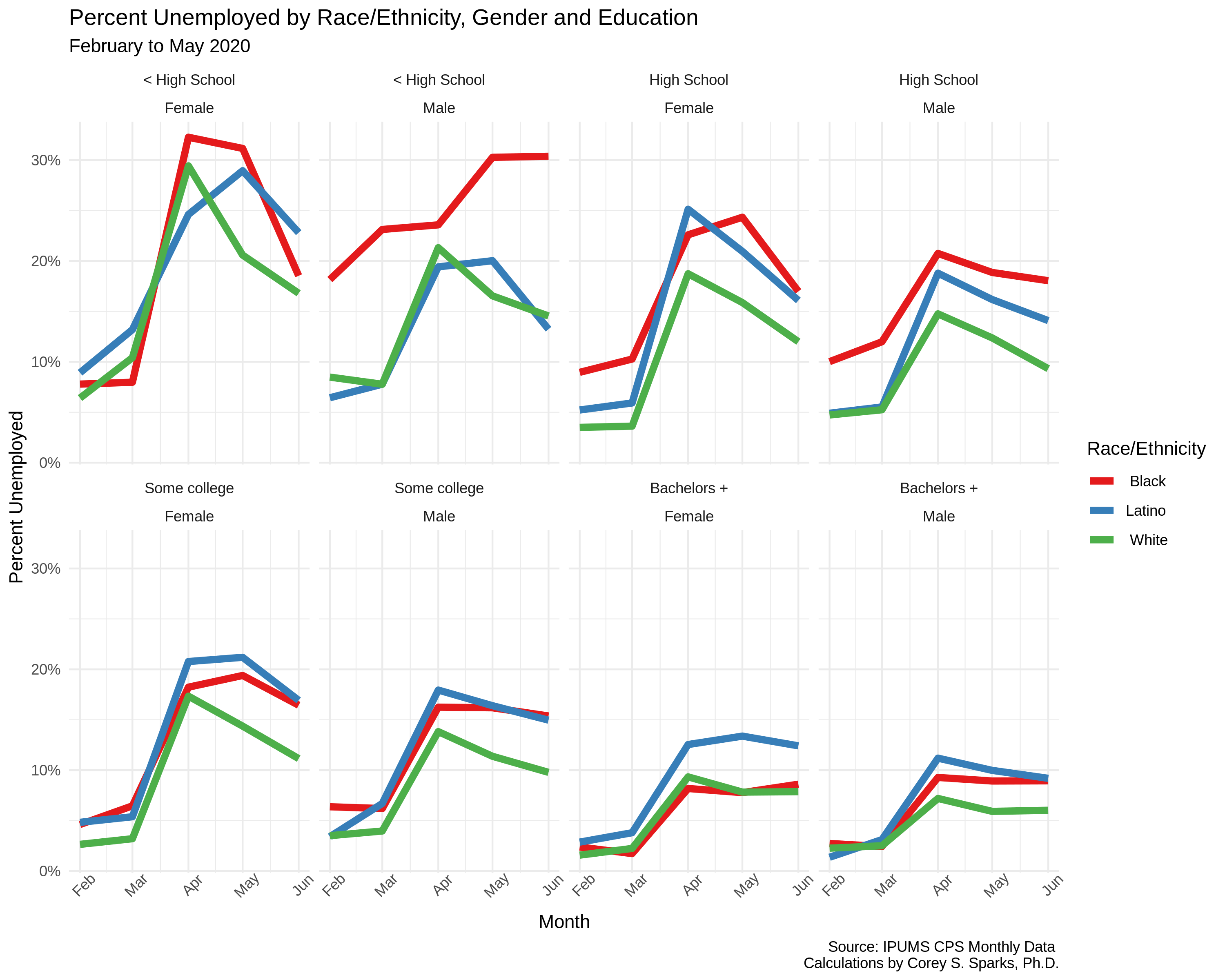
However, we know that the demographic and socioeconomic profile of the workforce of Whites, Blacks, and Latinos varies, which could account for the unemployment differences along racial and ethnic lines. For example, Latinos are a relatively young workforce with 42 percent being less than 35 years of age compared to Whites with 32 percent of workers that young. In addition, Latino (22.8%) and Black (30.6%) workers are less likely to have a bachelor’s degree or higher compared to Whites (44.7%). Furthermore, Latino and Black workers also are more likely to be disproportionately represented in jobs that have been especially hard hit by the pandemic. Approximately 22 percent of Blacks and Latinos work in the service sector compared to 14 percent of Whites.

Still, accounting for these factors, we find racial disparities in unemployment persist. Figure 2 shows the unemployment levels in June across age. Clearly younger workers tend to have the highest levels of joblessness. Nonetheless, within all age groups, Whites have much lower unemployment rates compared to Blacks, and Latinos. In most cases, the unemployment rates of workers of color are at least 50 percent higher than those of Whites. For example, Blacks and Latinos 45 to 54 years of age have unemployment levels about twice as high as those of their respective White counterparts.



**Figure 2. Unemployment rates by Age and race/ethnicity from December, 2019 to June, 2020.**

In addition, we observe that education is negatively associated with unemployment (Figure 3). Still, across all but one educational category, Whites have the lowest unemployment rates. The one exception is among persons who are not high school graduates where Latinos have the lowest unemployment rate (16.4% versus 18% among Whites). Workers of color with an associate’s degree as well as Latinos with a bachelor’s degree or higher have jobless rates about 50 percent higher than those of Whites.

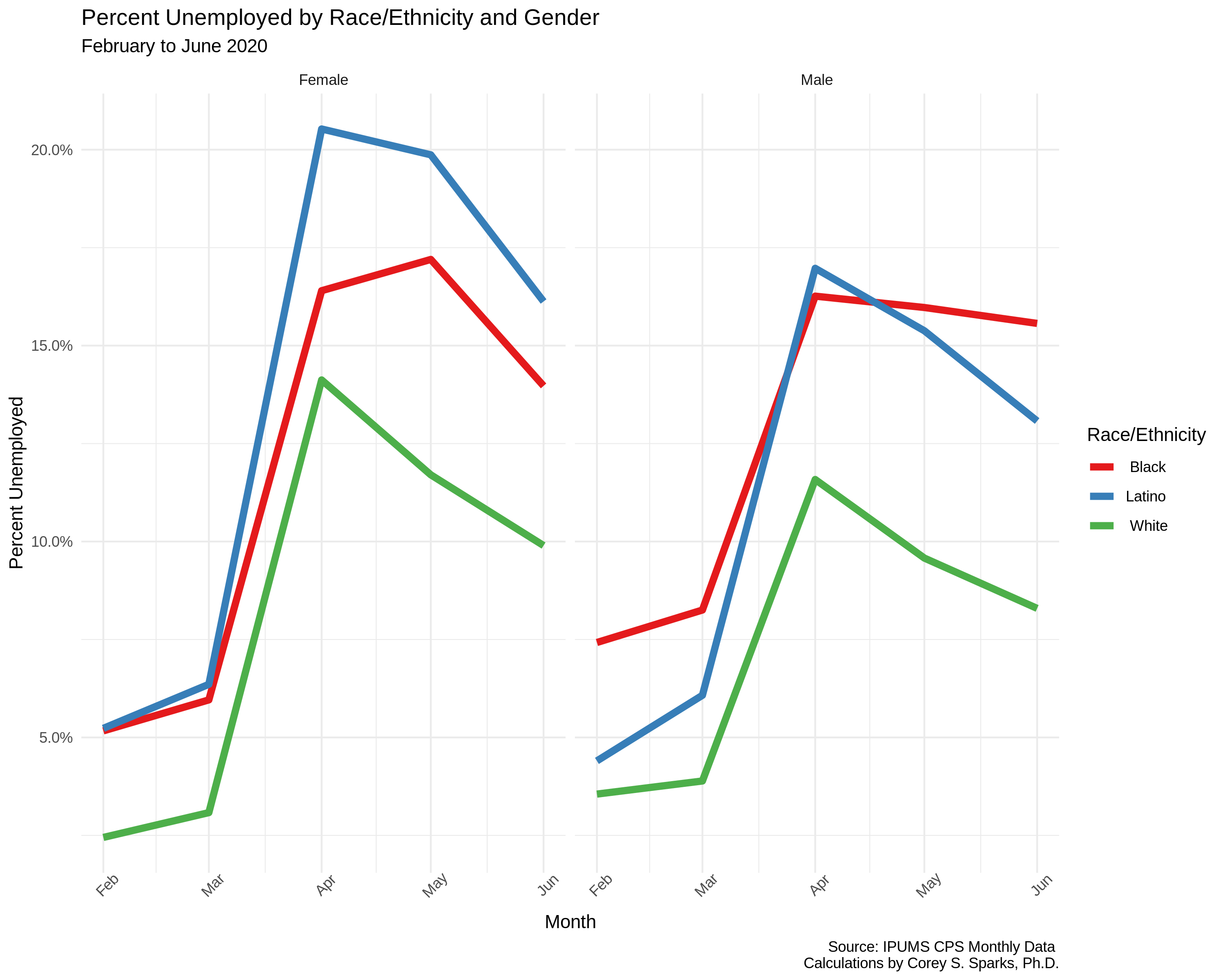
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**Figure 3. Unemployment rates by Education level, gender, and race/ethnicity from December, 2019 to June, 2020.**

**The Gender Divide in Unemployment**

Men have also fared much better than women in employment. For example, while women (3.5%) actually had a lower rate of unemployment than men (4.2%) in February, by April this trend was reversed with the unemployment rate of women (15.8%) surpassing that of men (13.4%). The male advantage has held into June.

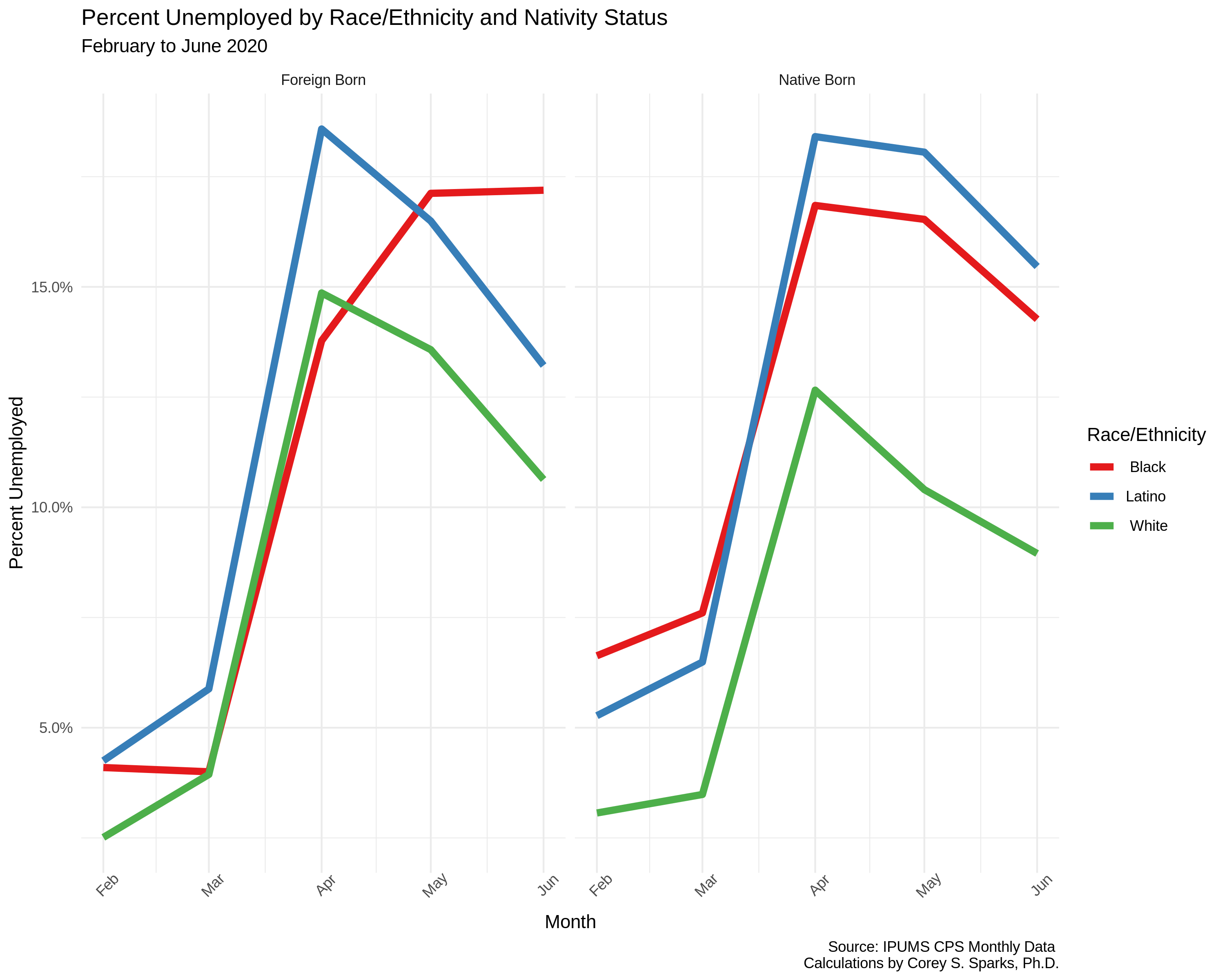
However, the employment disadvantages of women are particularly acute among women of color (Figure 4). Latina women have the highest jobless rates throughout the pandemic, peaking at 20.8 percent in April. Latina women continued to have the highest rate of unemployment at 16.3 percent in June followed by Black women (14.2%), although Black men (15.7%) too suffered from high levels of joblessness. In contrast, White women had the lowest jobless rate throughout the period with a rate of 10.1 percent in June. In fact, among all gender groups across race/ethnic categories, White women had the second lowest unemployment rate after White men (8.4%) in June.



**Figure 4. Unemployment rates by gender and race/ethnicity from February to June, 2020.**

**Nativity Variations in Unemployment**

There are also variations in unemployment by nativity among Latinos--the group with largest immigrant population. Foreign-born Latinos had a lower unemployment rate than their native-born counterparts before the pandemic and this advantage continued over the period between April and June (Figure 5). In June, Latino immigrants had a jobless rate of 11.4 percent compared to U.S.-born Latinos (14.9%). We recognize that the immigrant employment advantages since April may reflect a higher percentage of immigrants being in front-line jobs and in essential industries with the differences narrowing in June as wider segments of industries have opened for business. In contrast, among Latina women, the foreign-born have fared less favorably compared to women born in the U.S. Latina immigrant women had unemployment rates upwards of 21 percent in April and May. Nonetheless, in June, both groups of Latina women had similar jobless levels (foreign-born, 16.4%; native-born, 16.2%).

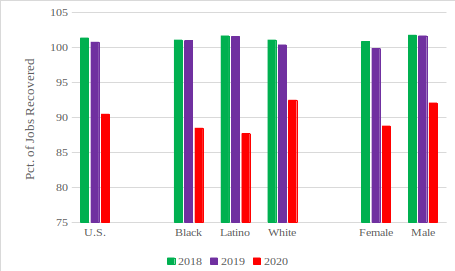


**Figure 5. Unemployment rates by Nativity Status and race/ethnicity from February to June, 2020.**

**Job Recovery**

As noted earlier, the U.S. lost approximately 25 million jobs between February, the peak of employment this year, and April. Between April and June, about 9 million jobs have been regained. In this portion of the analysis, we compare the number of workers in June to that in February, an indicator that we refer to as the “job recovery rate.” In conducting this examination, we offer one caveat. The volume of workers shifts from month to month given the seasonality of employment. For example, there tend to be more workers during summer months as many teenagers work while they are off from school and some states also see their workforce increase during this period as seasonal farm workers are brought in to work in agriculture.7 To control for such variations between the period of interest—February to June—we compare the recovery rate in 2020 to the respective recovery rates of the previous two years.

Overall, in the U.S., the job recovery rate related to the number of jobs in June relative to that in February stood at 90.5 percent with nearly 10 percent of employment slots in February absent in June (Figure 6). The comparison of this recovery rate to those in 2018 and 2019 starkly illustrate the impact of the pandemic on the job front in the country. In 2018, there were actually 1.4 percent more workers in June than there were in February and in 2019 there were 0.8% more workers.

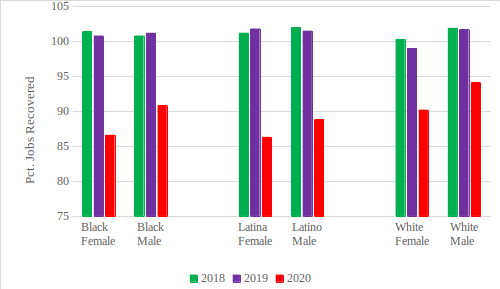


**Figure 6. Job Recovery Rates for the U.S. and by Race/Ethnic and Gender Groups, 2018-2020**

As we observed earlier when we focused on unemployment, job recovery varies substantially across racial and ethnic groups. Whites are ahead in job recovery compared to the three other racial/ethnic groups. In June, the number of Whites employed in June was 92.3 percent of the number who were employed in February. In contrast, the job recovery rates were notably lower among Latinos (87.7%), and Blacks (88.5%). The comparison of the job recovery rates of each racial and ethnic group to their respective figures over the last two years reveals the uniqueness of disparities during the pandemic. Indeed, in the previous two years, Latinos and Blacks tended to have a slight advantage over Whites representing a greater excess of workers in June compared to February.

Moreover, consistent with gender differences in unemployment, men have fared better than women in job recovery. Men had recovered 92.1 percent of the jobs that they held in February compared to 88.8 percent among women.

Overall, across racial/ethnic groups, men, too, are further along in job recovery than women between February and June. However, across gender groups, Whites hold an advantage over other groups in the percentage of February jobs recovered by June, with men having a recovery rate of 94.1 percent and women being at 90.2 percent. While they trail White men significantly, relative to people of color, Black (90.8%) and Latino (88.8%) men are ahead of women, with Black women (86.6%), and Latina women (86.3%) being further behind in regaining the level of employment that they had in February.



**Figure 7. Job Recovery Rate by Race/Ethnic and Gender Group, 2018-2020**

**Conclusions and Policy Implications**

In this policy brief, we have highlighted several aspects of the COVID-19 pandemic’s effects on unemployment patterns that have not been explored elsewhere, notably the variation by race/ethnicity, gender, nativity, and socioeconomic status. The picture we have described is one of systemic inequality in both the initial effects of the pandemic on the country’s workforce, as well as the continued effects through the month of June. Recovery of jobs has been an unequal process, the story of which has largely been untold.

The current COVID-19 pandemic is placing major challenges on the U.S. workforce. In particular, Black and Latino workers, despite suffering from major upticks in unemployment, have been disproportionately over-represented among workers who cannot work from home, placing them in harm’s way with elevated rates of contracting the Coronavirus.8 Furthermore, these in-person workers (although also true of those working from home), require assistance with the care of children and other dependents. Moreover, people who have lost their jobs or who have been furloughed face grim prospects of finding employment and losing health insurance during these highly precarious times. Undocumented immigrants, many who have been on the front lines providing basic services and food supplies to the American public, have been completely left out of stimulus funds, as have their U.S.-citizen spouses.

The benefits associated with the CARES Act have now expired and tens of millions of people are still unemployed and in dire straits. Implications of the inequality in both joblessness and job recovery will likely have far reaching effects for other aspects of life. Some obvious implications of prolonged joblessness related to COVID-19 are potential spikes in defaults on mortgages and rent payments, especially as rent assistance programs phase out of operation. Other implications of joblessness are food insecurity among households. Without reliable employment, and with uneven job recovery, at-risk population will face exacerbated risks of temporary and longer-term food insecurity. These potential housing instability and food insecurity contexts have the potential to impact health and well-being among already marginalized populations. Further study of the local-area impacts of these economic conditions is needed, as notable state-level differences in the patterns discussed herein are also present. Unfortunately, with the premature opening of business in many states in the South and West have resulted in major outbreaks in the region, particularly in Arizona, Texas, and Florida. Again, as shown in this policy brief, people of color continue to bear the brunt of the ravage of the pandemic. The pandemic has exposed profound racial divides in this country that policymakers will need to address with an equity lens.

**Endnotes**

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**About the Authors**

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All data and code related to this brief are available at the author’s Github repository [github.com/corey\_sparks/unemployment](https://github.com/coreysparks/unemployment)