

COVID-19 and the Labor Market



ZipRecruiter®

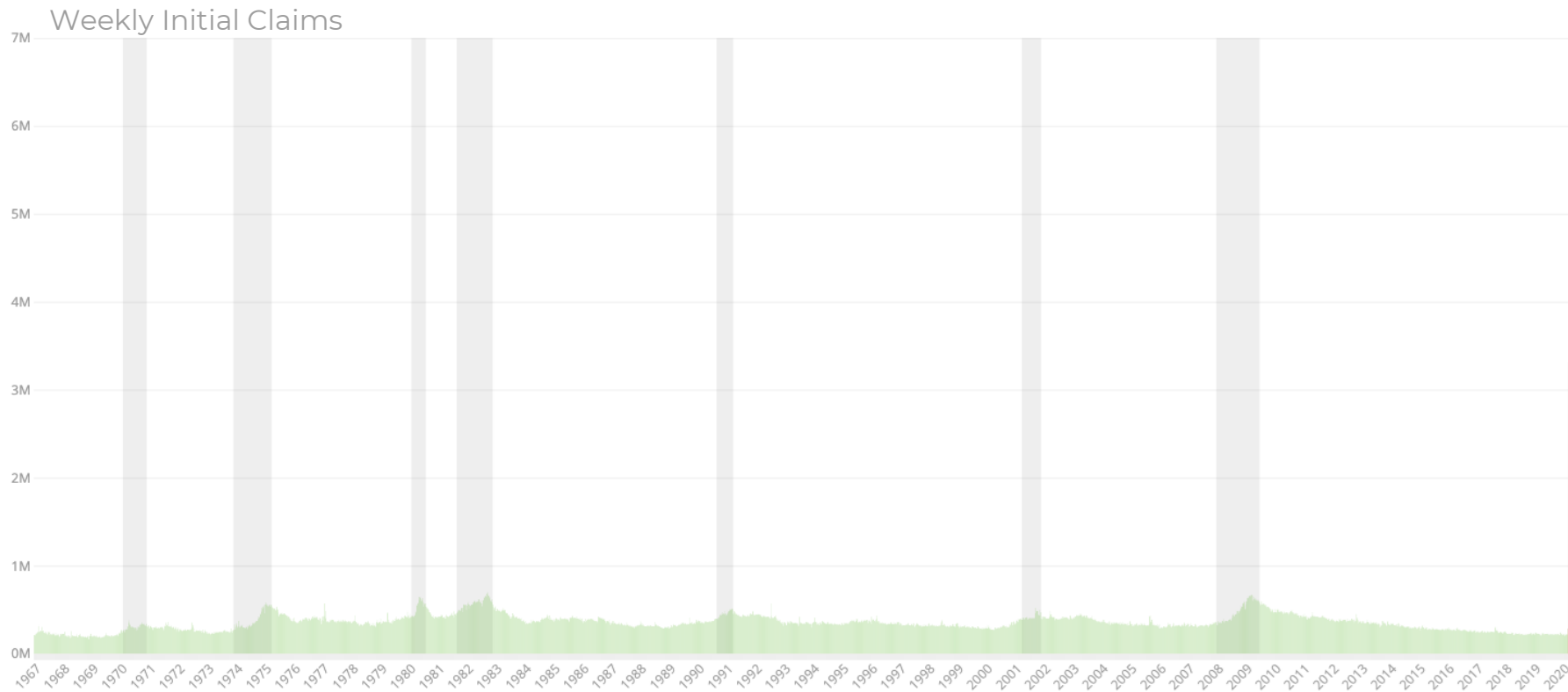
Agenda

- + The labor market impact of the COVID-19 crisis
- + Recent job posting trends
- + High-frequency measures of economic activity
- + Long-term implications for employment and wages



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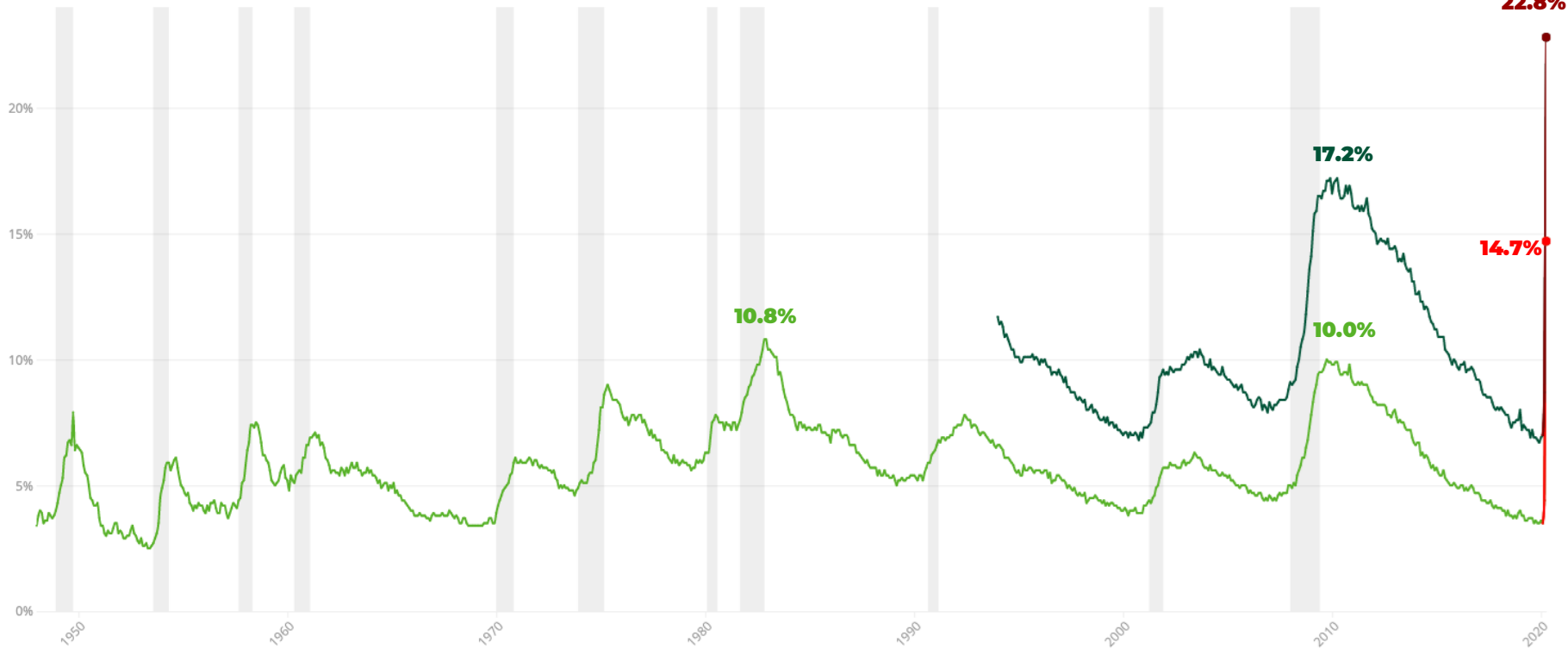
36.5M Americans filed for unemployment benefits in 8 weeks



Source: U.S. Employment and Training Administration

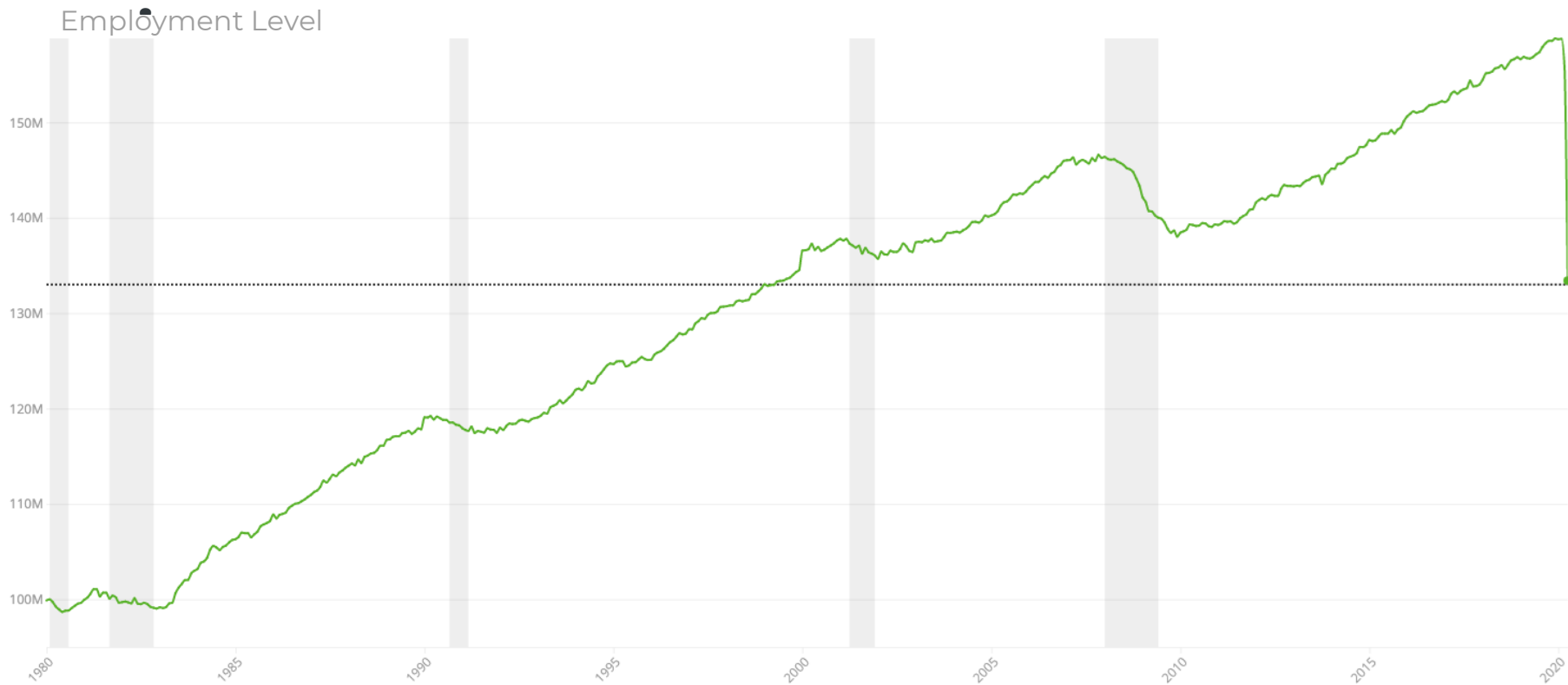
U3 jumped to 14.7% and U6 to 22.8% in April

U3 and U6 Measures of Labor Underutilization



Source: U.S. Current Population Survey

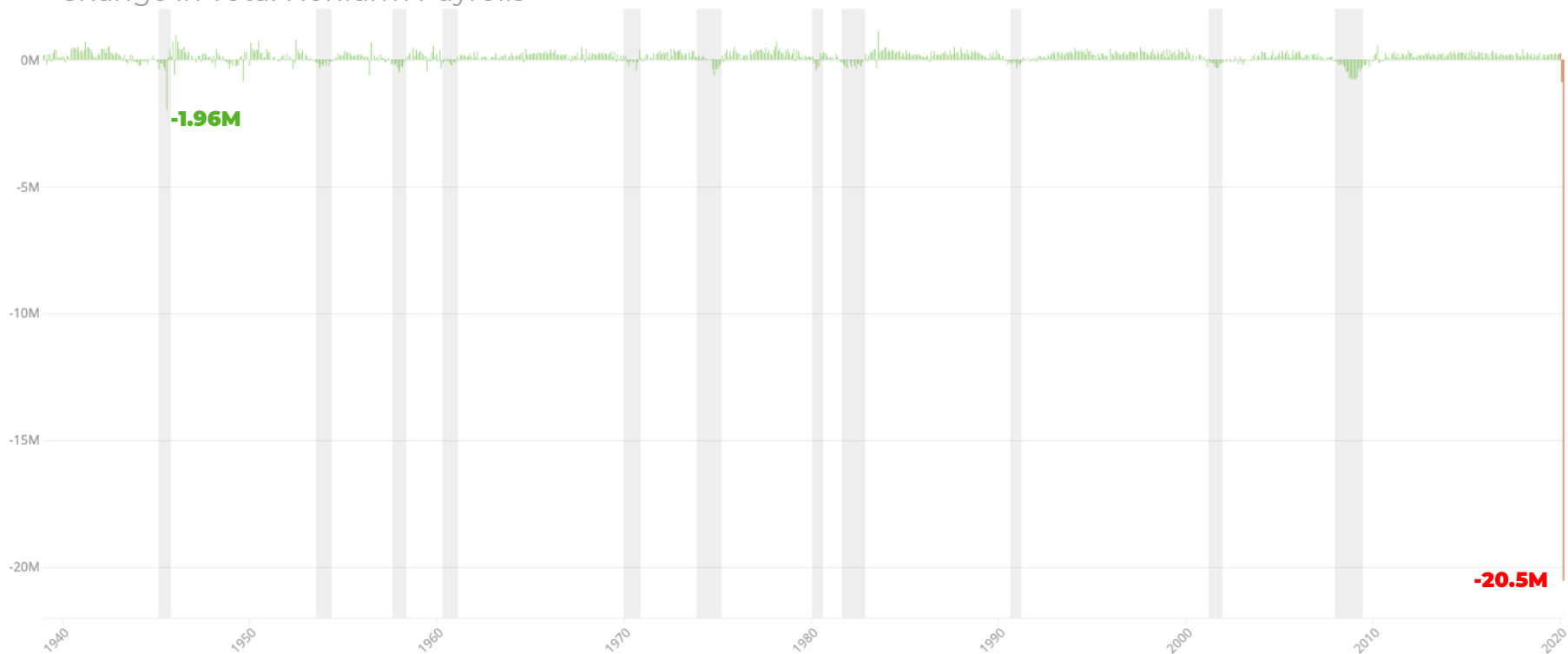
COVID wiped out more than two decades of employment



Source: U.S. Current Population Survey

The economy lost 881K jobs in March, 20.5M in April

Change in Total Nonfarm Payrolls



Source: U.S. Current Establishment Survey

Job losses by industry

Food services and drinking places

-5.49M

Professional and business services

-2.17M

Retail trade

-2.11M

Health care

-1.44M

Arts, entertainment, and recreation

-1.32M

Government

-0.98M

Construction

-0.97M

Durable goods manufacturing

-0.91M

Accommodation

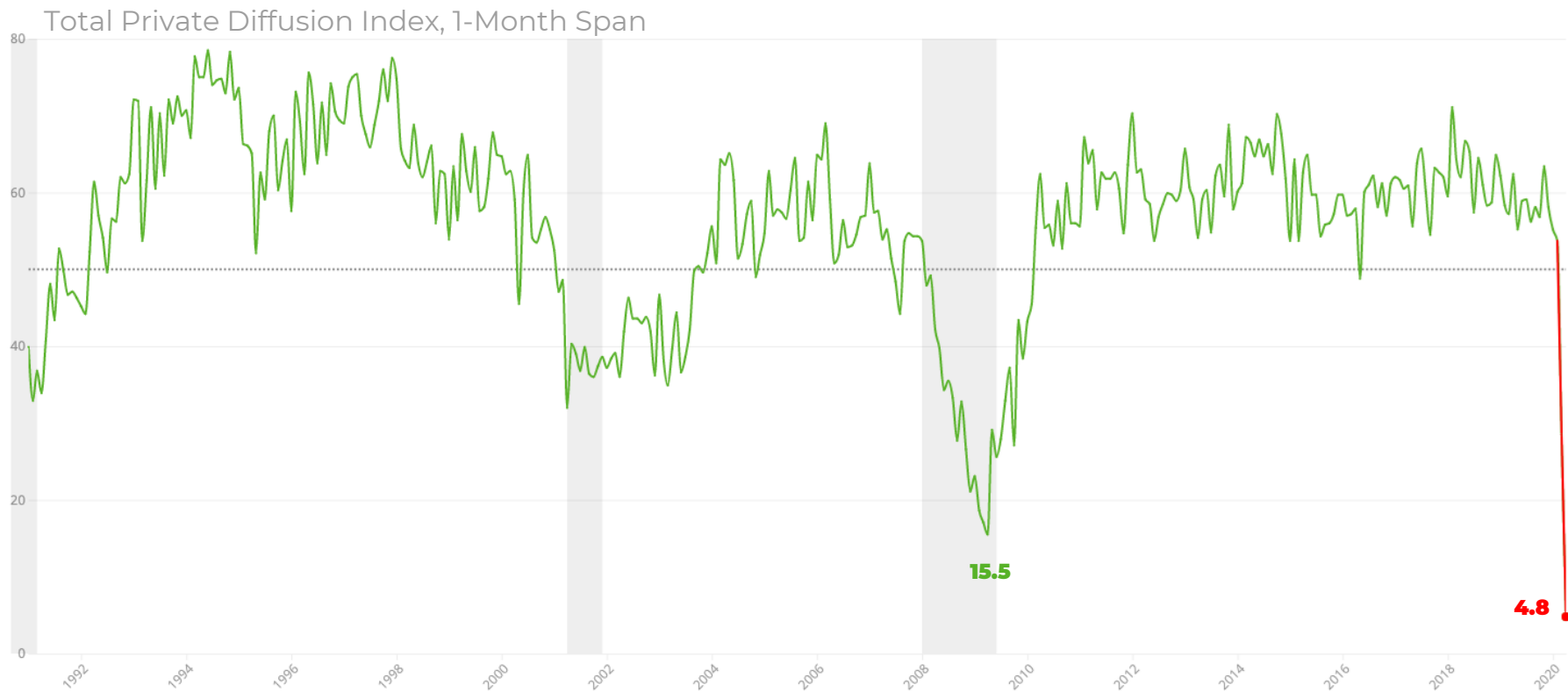
-0.84M

Transportation and warehousing

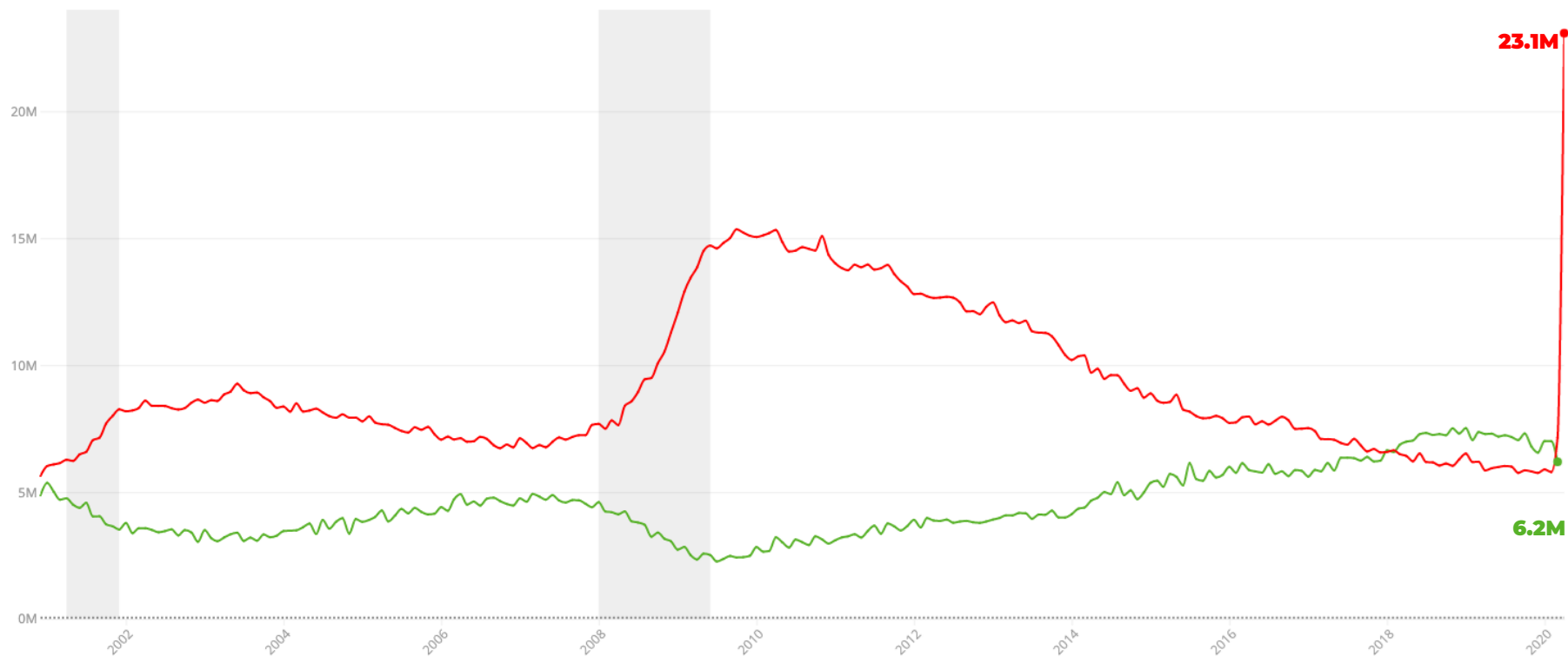
-0.58M

Source: U.S. Current Establishment Survey

Job losses were broader than ever before

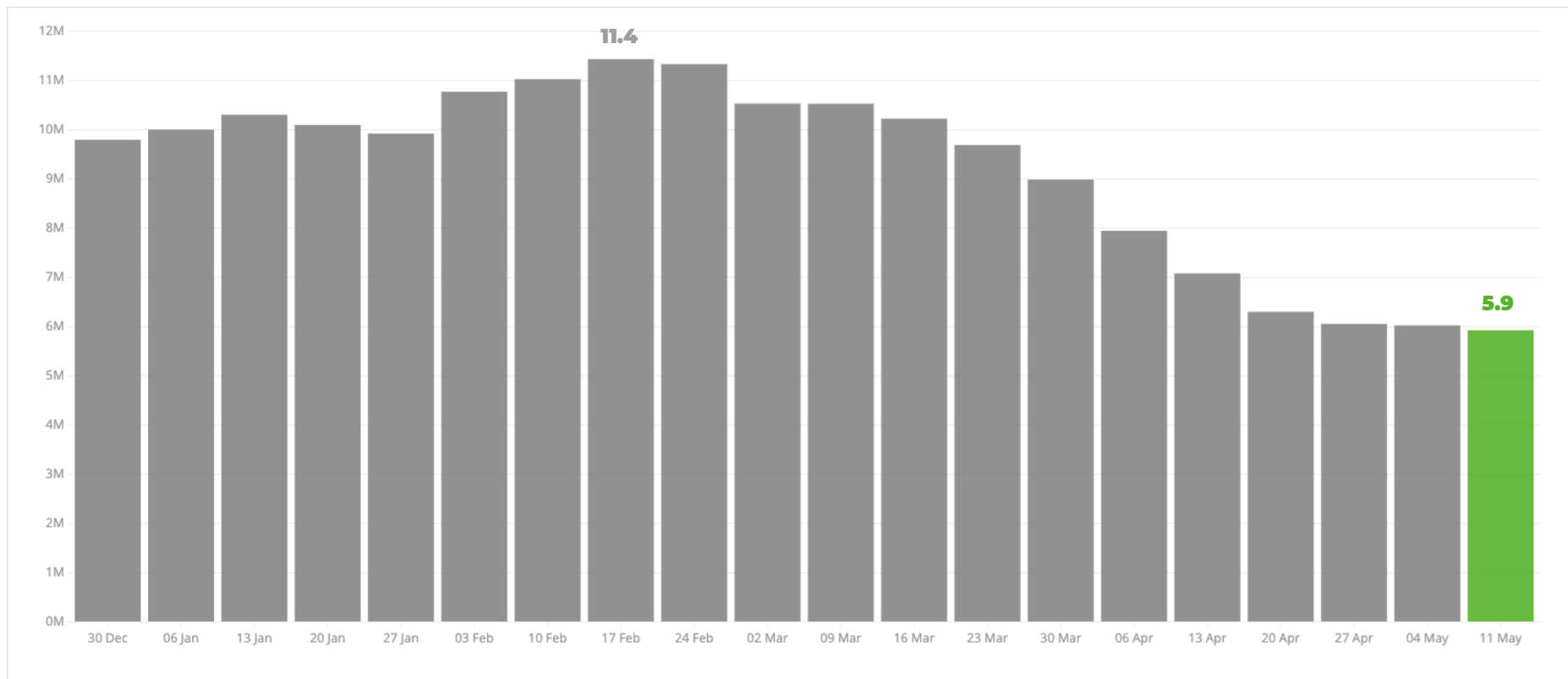


The labor market has been turned upside down

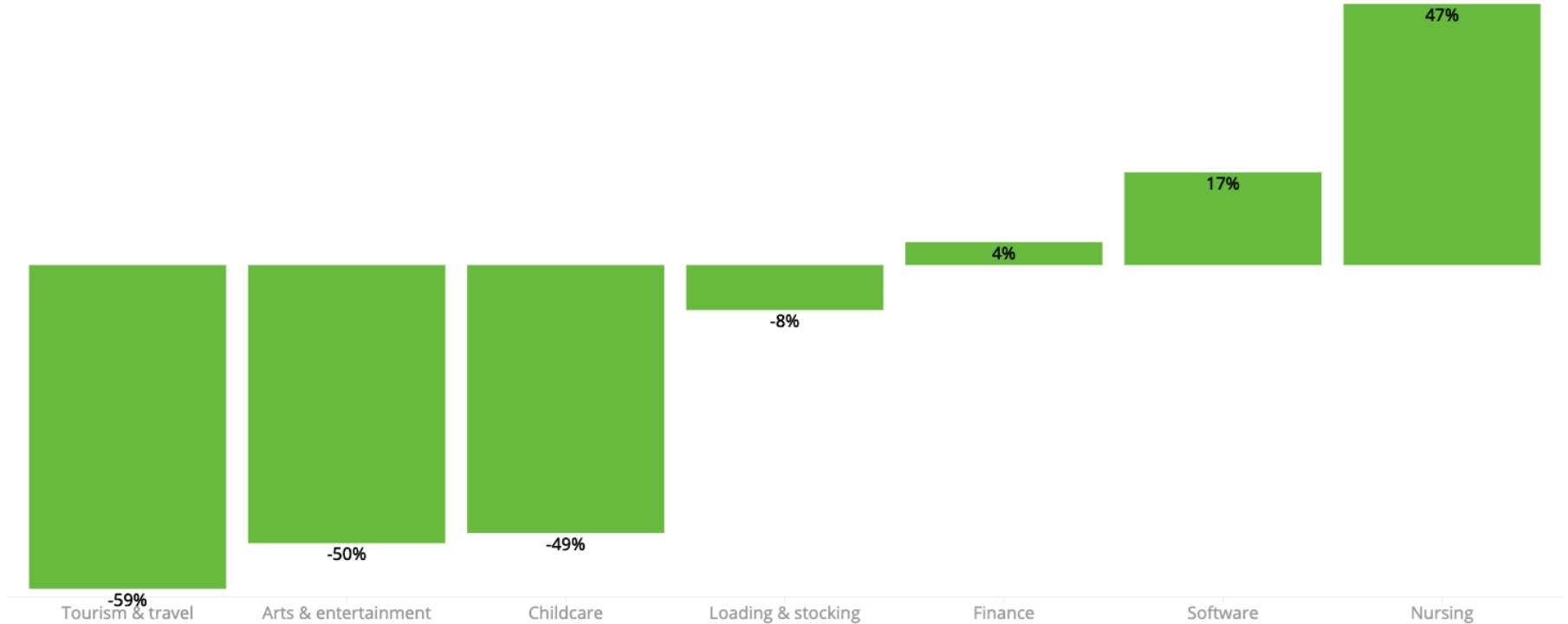


Source: U.S. Current Establishment Survey

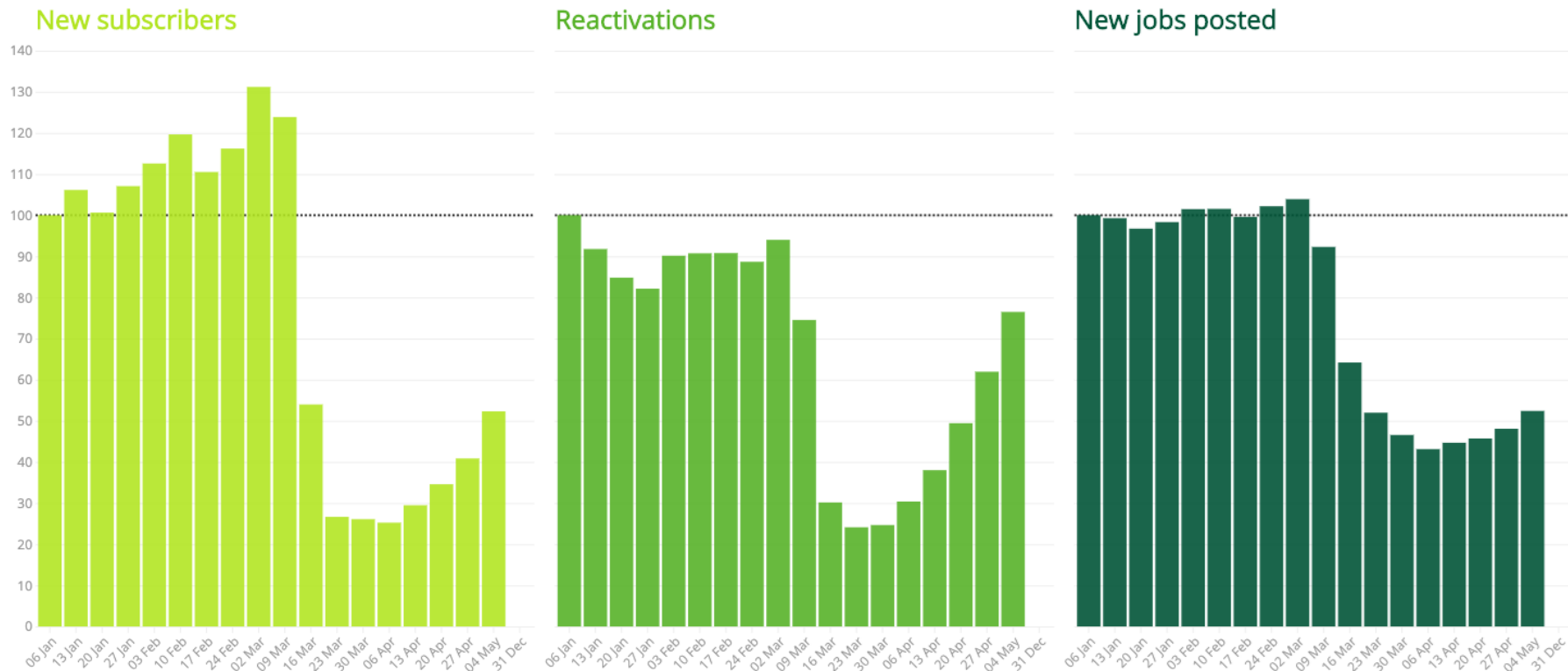
Job openings on ZipRecruiter fell 48% since mid-February



Jobs on ZipRecruiter since April compared with 2019



But there have been some encouraging signs since April



**In the meanwhile, there
are glimmers of hope**

Gasoline demand is picking up

More tenants paid May rent on time

Map requests are up

Mortgage applications are up

**Fast-food restaurant demand is
up**

Who is hiring now?



Likely long-term labor market trends



Firm deaths have accelerated (retailers, restaurants, malls, movie theaters)



Firm consolidation and labor market concentration are rising



Job seeker leverage is quickly being eroded

Open questions



Will COVID-19 cause automation to accelerate?



Will COVID-19 cause boomers to retire early?



How dramatically will COVID-19 change consumer tastes and firm habits?



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