

# COVID-19 and the Labor Market



# Agenda

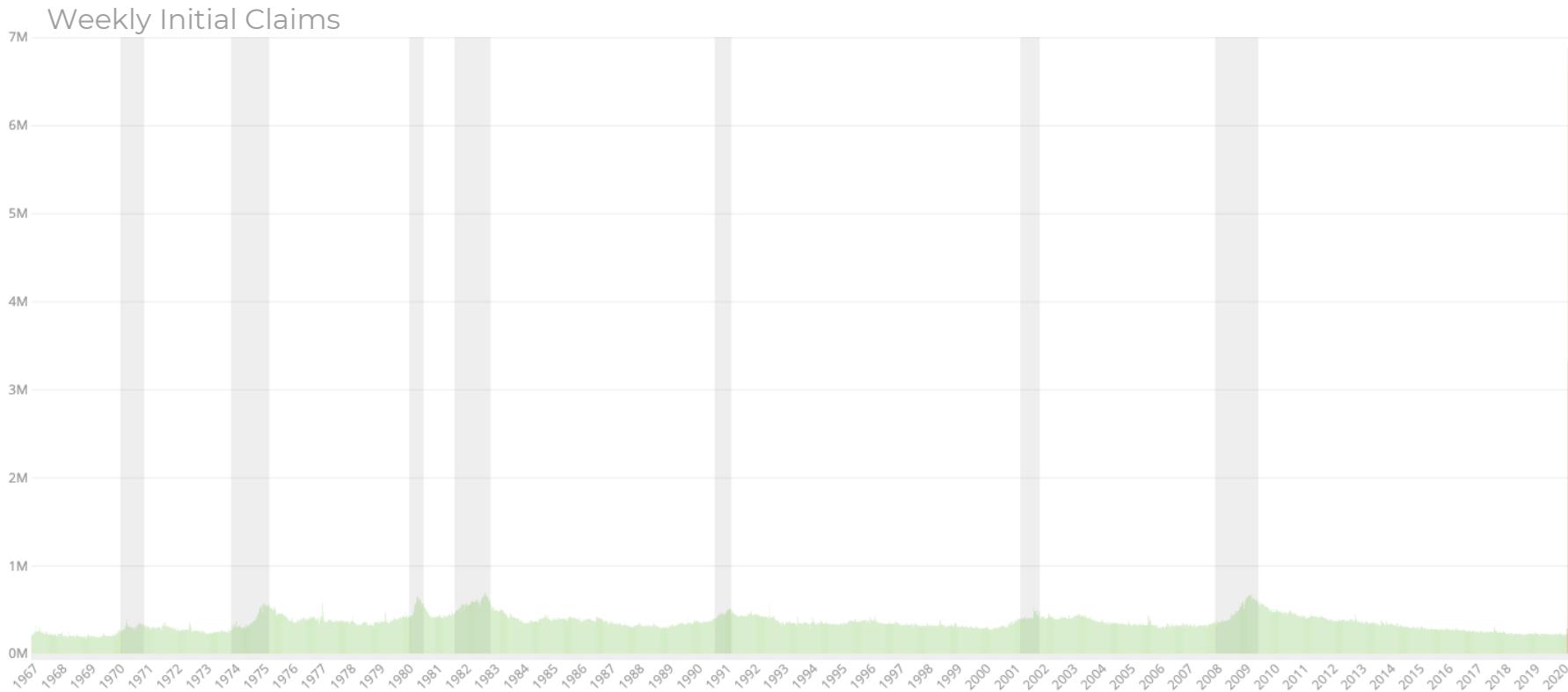
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- + The labor market impact of the COVID-19 crisis
- + Recent job posting trends
- + High-frequency measures of economic activity
- + Long-term implications for employment and wages



**Julia Pollak**  
*Labor Economist*

# 36.5M Americans filed for unemployment benefits in 8 weeks



Source: U.S. Employment and Training Administration

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

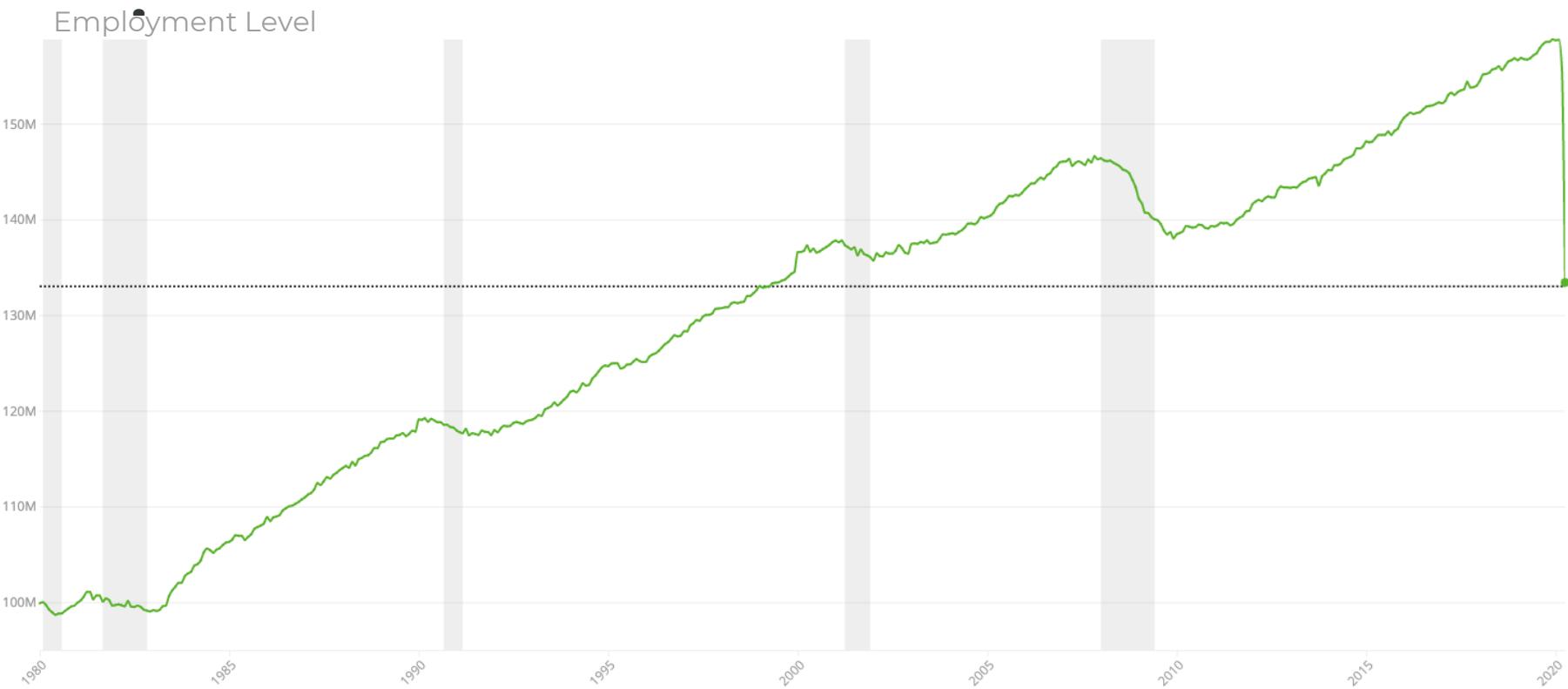
U3 and U6 Measures of Labor Underutilization



Source: U.S. Current Population Survey

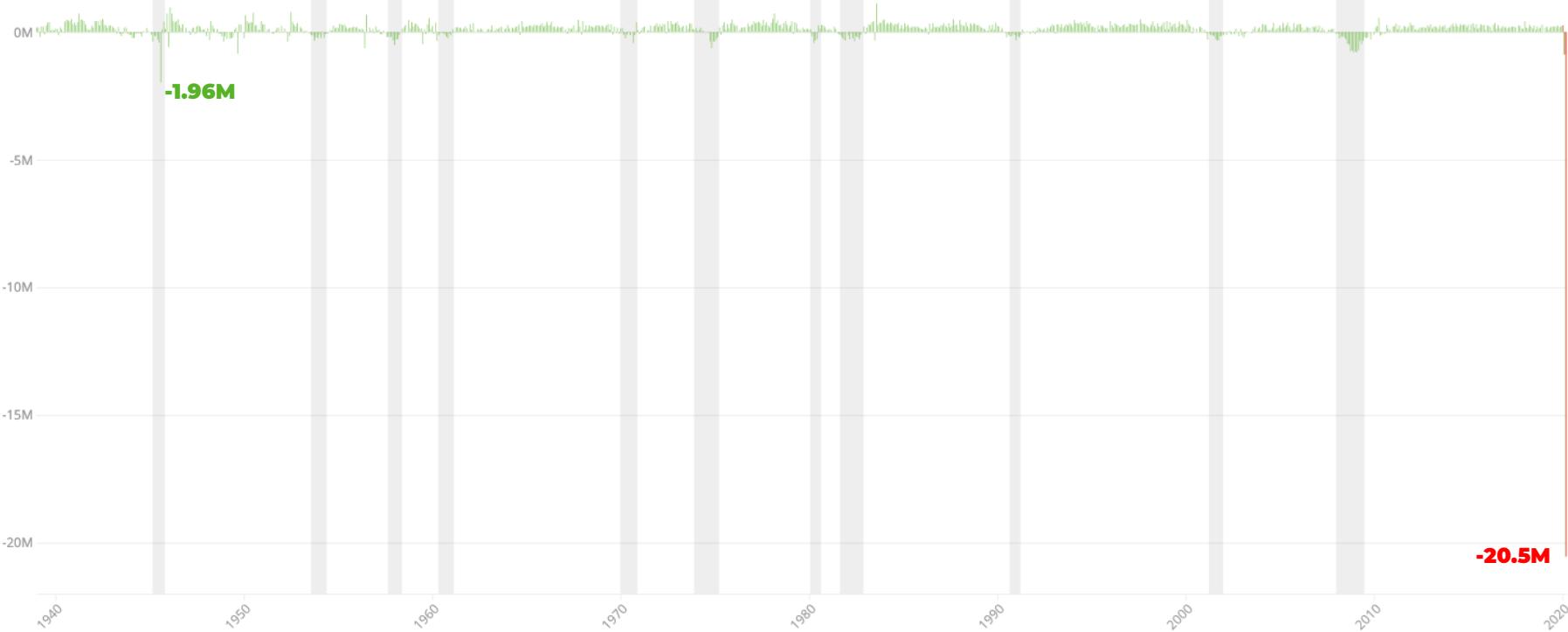
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# COVID wiped out more than two decades of employment



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

Change in Total Nonfarm Payrolls



Source: U.S. Current Establishment Survey

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# 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

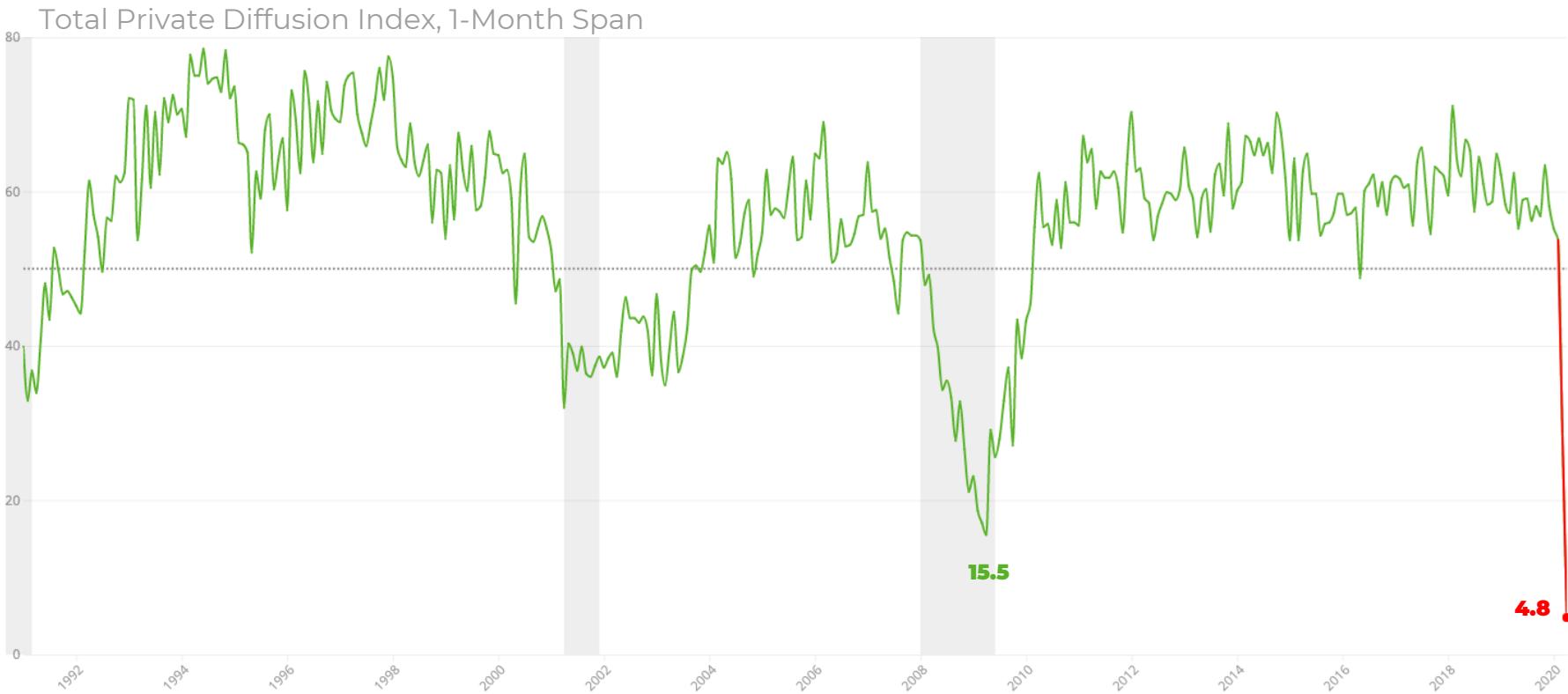
Transportation and warehousing

-0.58M

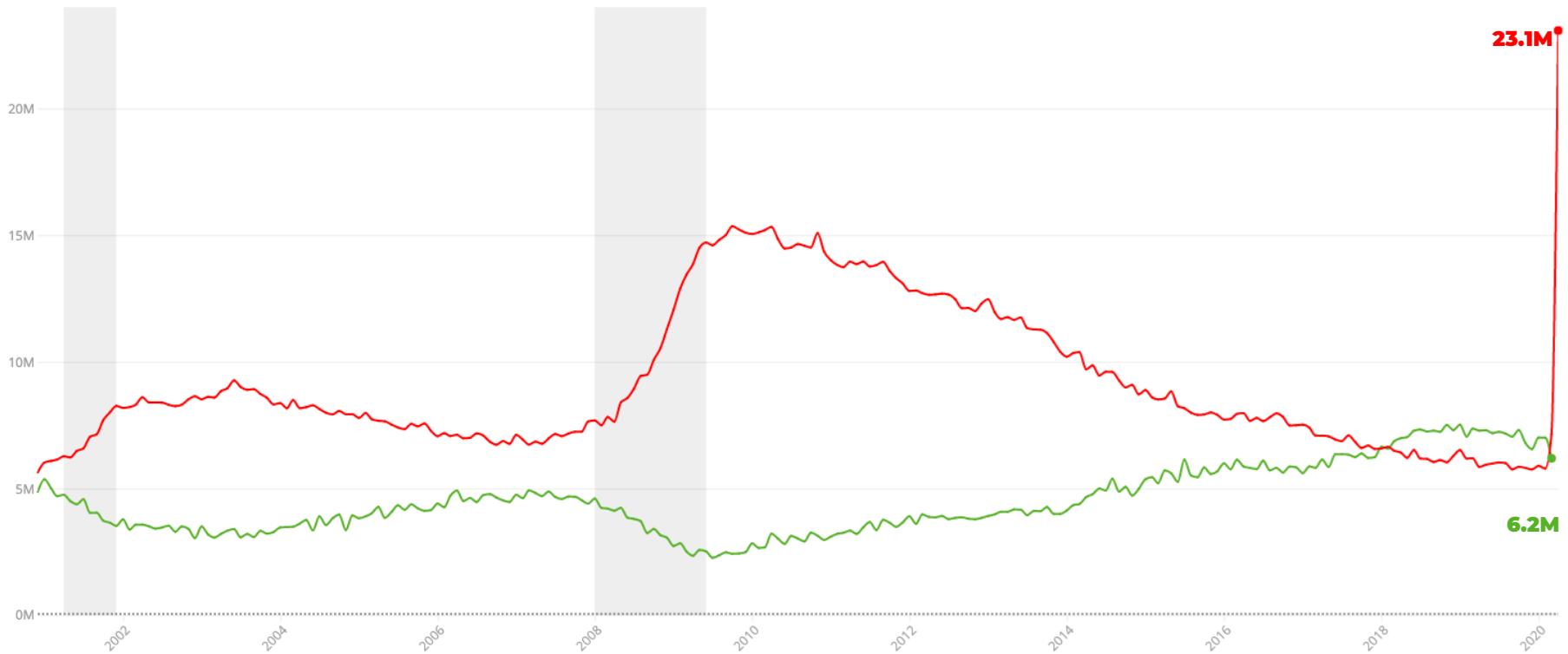
Source: U.S. Current Establishment Survey

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## Job losses were broader than ever before



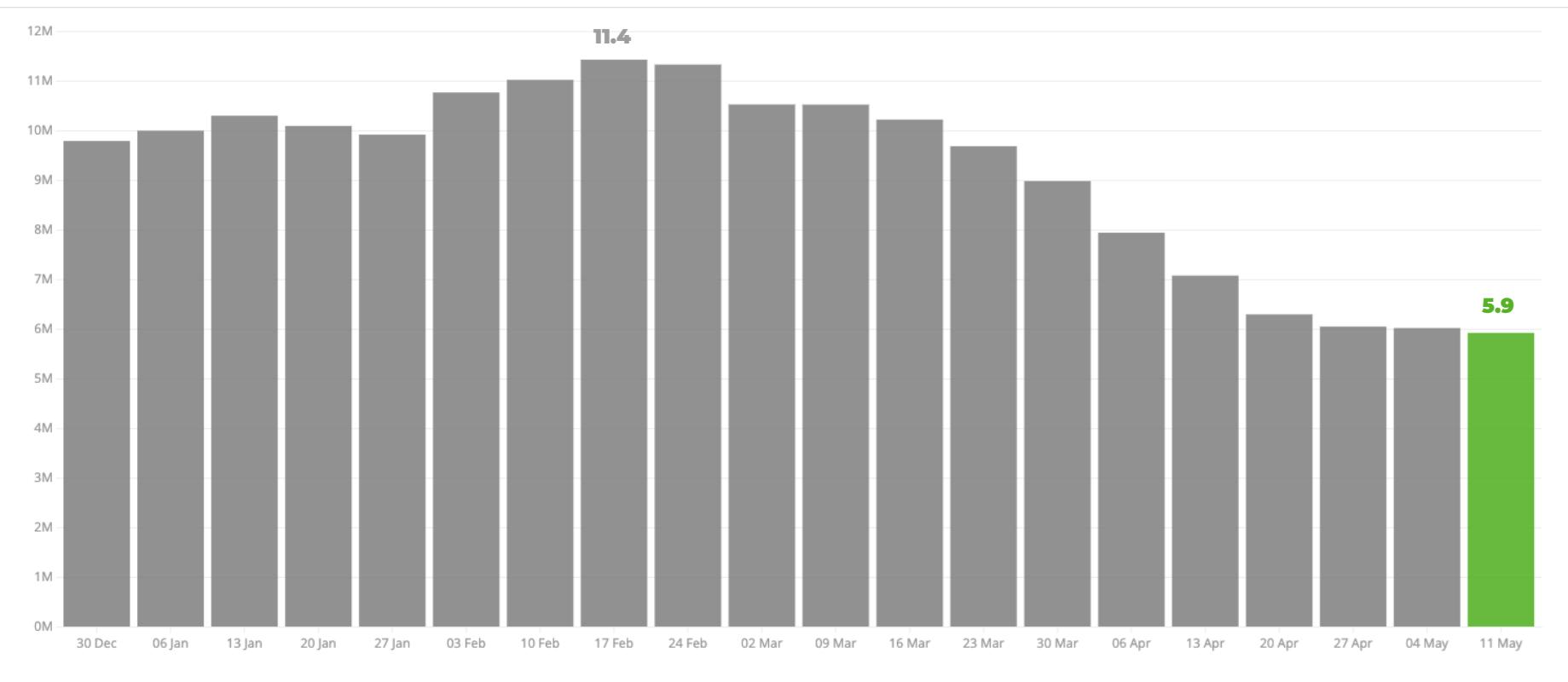
# The labor market has been turned upside down



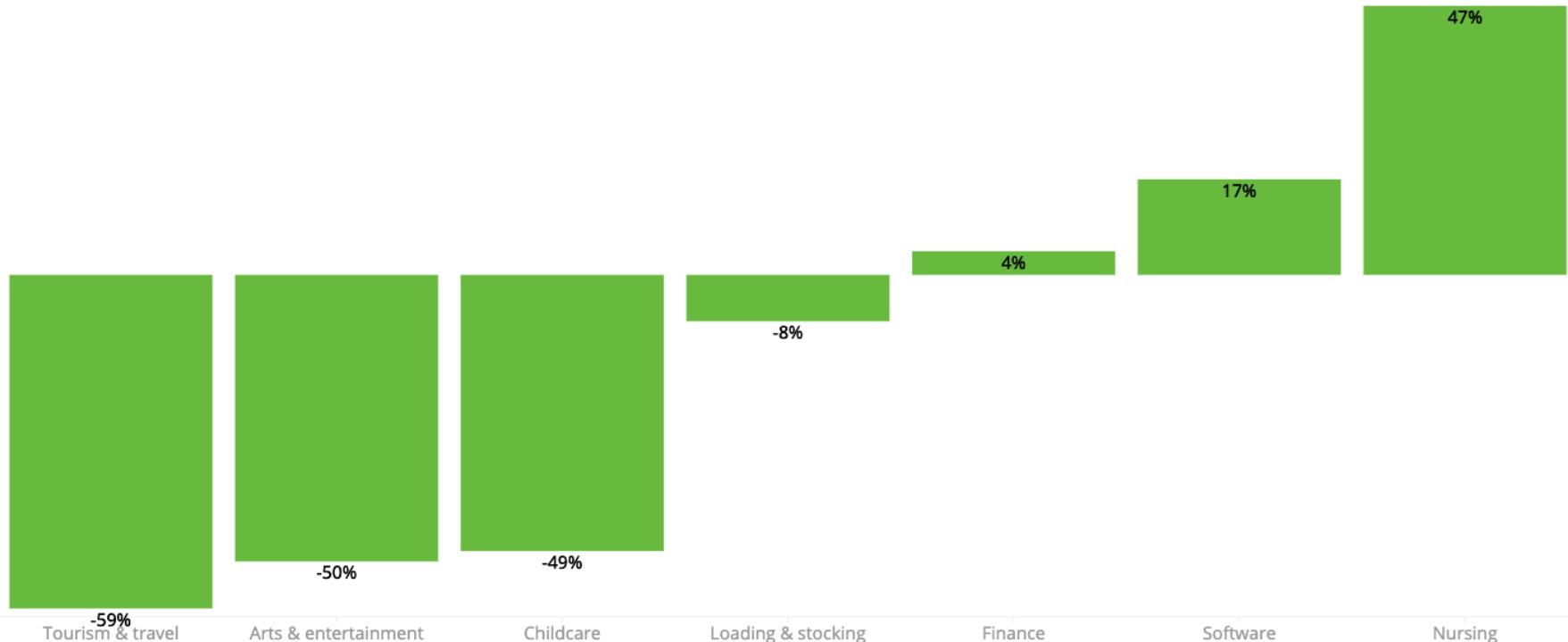
Source: U.S. Current Establishment Survey

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# Job openings on ZipRecruiter fell 48% since mid-February

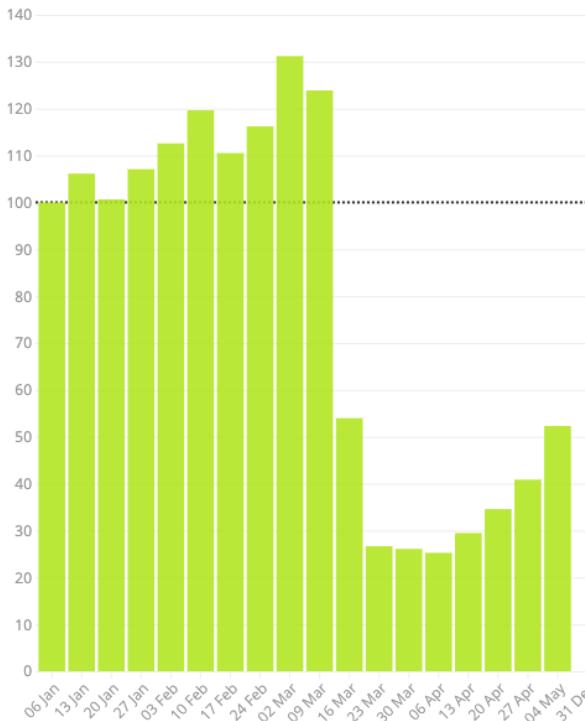


## Jobs on ZipRecruiter since April compared with 2019



# But there have been some encouraging signs since April

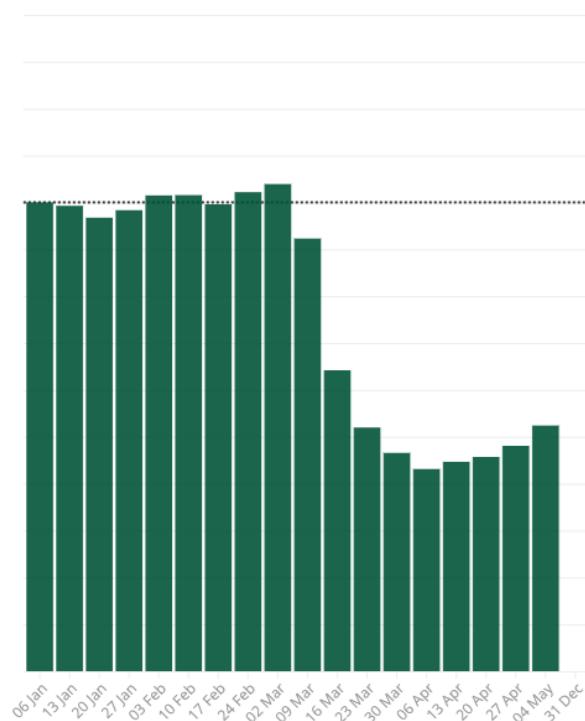
New subscribers



Reactivations



New jobs posted



**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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