



Initial Labor Force Impacts of the COVID-19 Pandemic in Allegheny County

University Center for Social and Urban Research

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ABOUT THE UNIVERSITY CENTER FOR SOCIAL AND URBAN RESEARCH (UCSUR)

The University Center for Social and Urban Research (UCSUR) was established in 1972 to serve as a resource for researchers and educators interested in the basic and applied social and behavioral sciences. As a hub for interdisciplinary research and collaboration, UCSUR promotes a research agenda focused on the social, economic, and health issues most relevant to our society. UCSUR maintains a permanent research infrastructure available to faculty and the community with the capacity to: (1) conduct all types of survey research, including complex web surveys; (2) carry out regional econometric modeling; (3) analyze qualitative data using state-of-the-art computational methods, including web-based studies; (4) obtain, format, and analyze spatial data; (5) acquire, manage, and analyze large secondary and administrative data sets, including Census data; and (6) design and carry out descriptive, evaluation, and intervention studies. UCSUR plays a critical role in the development of new research projects through consultation with faculty investigators.

The long-term goals of UCSUR fall into three broad domains: (1) provide state-of-the-art research and support services for investigators interested in interdisciplinary research in the behavioral, social, and clinical sciences; (2) develop nationally recognized research programs within the Center in a few selected areas; and (3) support the teaching mission of the University through graduate student, post-doctoral, and junior faculty mentoring, teaching courses on research methods in the social sciences, and providing research internships to undergraduate and graduate students. Achieving these goals requires that we continually upgrade and improve the research infrastructure of the Center and that we recruit, develop, and maintain a core staff of investigators capable of being leaders in their fields.

ABOUT THIS REPORT

This report was completed in collaboration between UCSUR's Survey Research Program and Urban and Regional Analysis Program. Questions on the analysis can be directed to Christopher Briem of UCSUR's Urban and Regional Analysis Program at: cbriem@pitt.edu or (412) 624-3791.

Executive Summary

During April and May 2020, the University Center for Social and Urban Research (UCSUR) at the University of Pittsburgh conducted a survey of economic impacts of the COVID-19 pandemic on workers residing in Allegheny County, Pennsylvania. The immediate impacts of the pandemic, and associated public health measures, including a mandated shutdown of non-life-sustaining business locations across Pennsylvania in mid-March, had significant impacts on both employers and workers in the Pittsburgh region. The survey was conducted between April 15 and May 8. Summarized here are the results from a series of questions pertaining to employment status, changes in employment status, and shifts to teleworking or working from home for Allegheny County workers at that time.

The economic impacts of the COVID-19 pandemic are highly dynamic, and labor force conditions have certainly changed significantly in the short time since the survey was conducted. On May 17, Allegheny County shifted into the “yellow” phase of reopening, which lifted some of the initial restrictions placed on business activity. On June 5, the county moved into the “green” phase of reopening. The scale and timing of reopening of business activity is expected to have ongoing impacts on the regional economy and regional employment. These results provide a baseline of the initial economic impacts of the COVID-19 pandemic and can be used to track ongoing economic recovery going forward.

The following results reflect changes in employment status for workers residing in Allegheny County between March 1, 2020, and the period when the survey was conducted. Key findings include:

- 20.1% of workers employed at the beginning of March were no longer employed and receiving a wage or salary at the time of the survey. 83.1% of these separations (or 16.7% of all workers employed at the beginning of March) reported that their recent separation was due to COVID-19.
- 42.5% of workers employed at the beginning of March shifted to working at home, or teleworking, due to COVID-19.
- Compared to early March, 13.7% of workers reported they were working more than their usual number of hours per week, but 23.1% are estimated to be working less than their regular hours per week. The majority of workers (63.1%) reported working approximately the same number of hours per week.
- Loss of employment disproportionately impacted Black workers in Allegheny County; 19.7% of Black workers employed at the beginning of March reported job loss due to COVID-19, compared to 17.2% of White workers and 6.0% of workers of all other races.
- Elderly workers were the most likely to have lost paid employment due to COVID-19. Among workers age 65 and over, 26.8% reported having recently lost paid employment due to COVID-19 compared to 13.2% of workers between the ages of 18-34.
- Younger workers were the most likely to have shifted to working at home or teleworking; 54.3% of workers age 18-34 shifted to working at home or teleworking.
- Workers with a high school degree or less experienced the highest rates of job loss due to COVID-19; 29.2% of these workers reported a recent job loss compared to just 6.0% of workers with a master’s degree or higher.

Overview and Methodology

The evolving COVID-19 pandemic has had unprecedented impacts on both the regional and national economy in the spring of 2020. These impacts include severe disruption in local labor markets in southwestern Pennsylvania. Shifts in consumer behavior and employer workplace policies, along with public health measures, compounded to generate unprecedented changes in labor force status and workplace locations of workers in the Pittsburgh region. On March 19, 2020, the state of Pennsylvania ordered the shutdown of most non-life-sustaining business locations across Pennsylvania. As a result, a large proportion of workers shifted to working from home or were faced with temporary furloughs or permanent layoffs. This survey focused on the changes in employment status and work locations for workers residing in Allegheny County since the beginning of March 2020, just before mandated business shutdowns took effect.

A web-based online survey was conducted between April 15 and May 8. This survey was sent to members of the UCSUR Research Registry residing in Allegheny County for whom an email address was available. The registry contains community members recruited through UCSUR surveys and research studies who have agreed to be contacted for future research studies. These studies used to recruit registry members employed a combination of probability and non-probability sampling designs. Email addresses are available for approximately 75% of the registry members. Those without emails tend to be older, Black, and less educated. However, these demographic factors were adjusted for the weighting of the data (see below).

On April 15 an initial email invitation with a link to the survey was sent to 6,236 registry members from Allegheny County. The survey contained approximately 100 questions covering a variety of COVID-19 related topics and took respondents an average of 18 minutes to complete. Follow-up reminders to non-respondents were sent on April 21, April 27, and May 2, with a notice that data collection would end on May 8. This resulted in 2,574 completed surveys, a 41.3% response rate.

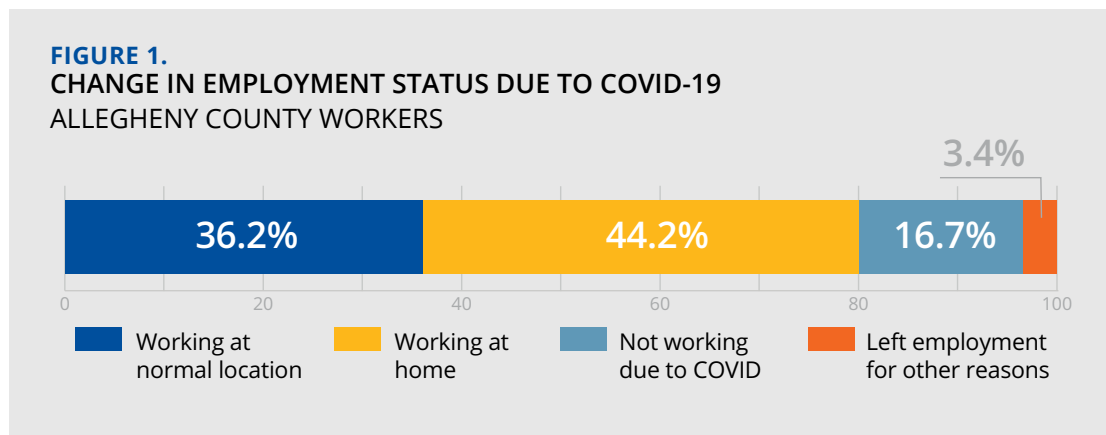
Note that this is technically a non-probability sampling method, as registry / panel members are volunteers. Thus, statements about “margin of error” are not appropriate, as these apply only to probability sampling designs. To reduce potential bias, the data were adjusted using statistical “raking” methods for age, sex, race, and education to make the sample more representative of the Allegheny County population age 18 and older. The technique involves using the most recent American Community Survey’s (ACS) age, sex, education, and race data for Allegheny County to compute case weights to ensure the sample “mirrors” the population distributions for each demographic variable. This is the standard approach in the survey industry when relying on survey registries and panels for population estimates.

At the time of the survey, respondents were asked about their current labor force status and how their employment status has changed since March 1, 2020. Unless otherwise notes, data presented here reflects changes that have taken place between March 1 and the time they responded to the survey. The following sections of this report highlight the summary results of changes impacting workers who reside in Allegheny County followed by the breakdown of these impacts by race, gender, age, and educational attainment.

Summary Results

A large portion of workers in Allegheny County rapidly shifted to working at home or teleworking as a result of COVID-19; 44.2% of workers employed as of March 1 shifted to working at home or teleworking at the time of the survey, while 36.2% continued to work at their regular place of work. A regular place of work could include those who were typically working at home previously.

The majority of job separations over the month were due to COVID-19 related reasons. A total of 20.1% of workers employed as of March 1 were no longer receiving a wage or salary at the time of the survey. 83.1% of those separations (or 16.7% of all workers employed as of March 1) were for COVID-19 related reasons. 16.9% of these recent separations (or 3.4% of all workers employed as of March 1) reported their recent job separation was for other reasons that include transitions such as retirement, family-related reasons, or other reasons.



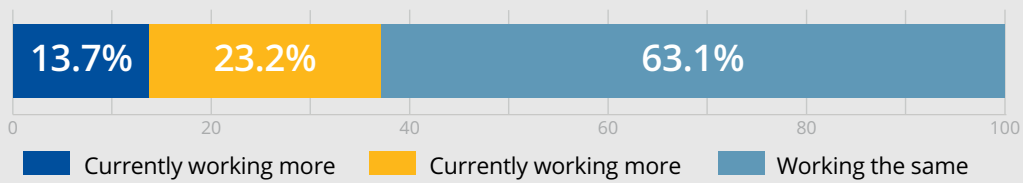
These percentages were calculated among workers who reported they were currently employed at the time of the survey and those who reported that they were working as of March 1. The 16.7% of workers who were separated from their recent employment due to COVID-19 likely includes some workers on temporary layoffs that are expected to return to work once public health concerns allow.

COVID-19 likely impacted the normal patterns of shifts in the employment status of individual workers, including the flow of new entrants into the labor force. This makes comparisons to past labor force data, or official labor force statistics difficult. Here an unprecedented 20.1% of workers are estimated to have separated from their most recent employment since the beginning of March. The estimated 16.7% of workers who reported losing their most recent job due to COVID-19 generated an exceptional increase in unemployment between March 1 and the time of the survey. The Pennsylvania Department of Labor and Industry estimates that employment among Allegheny County residents declined from 627,000 in February to 533,300 in April, a net decline of 15.0%. That employment decline includes changes in employment status due to COVID-19 and all other reasons. The higher rate of job loss in these survey results may reflect differences in the composition of the survey respondents, differences in the specific timing of this survey and the collection of data used to compile the official labor force statistics or other shifts in the size of the labor force.

Official labor force statistics may undercount the total size of employment decline as a result of COVID-19. The Bureau of Labor Statistics (BLS), which estimates the official unemployment rate in coordination with states, has stated that some workers who were not at work in April and May were not classified as *unemployed on temporary layoff*. Instead, these workers were classified as *employed but absent from work*. This misclassification likely undercounted total job losses in official labor force data for April and May 2020. The results here are consistent with a possible undercounting of the scale of recent job loss in official labor force statistics.

Of Allegheny County workers who were employed at the time of the survey, either at their regular place of work or teleworking, an estimated 23.2% reported working fewer hours per week than is typical. However, 13.7% reported working more hours per week, and 62.1% reported working approximately the same number of hours per week as before.

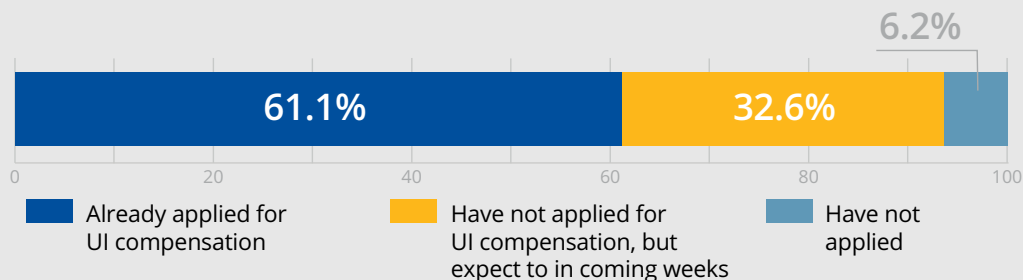
FIGURE 2.
SHIFTS IN HOURS WORKED DUE TO COVID-19
 ALLEGHENY COUNTY WORKERS*



*Results reflect Allegheny County workers employed at the time of the survey.

Like the rest of the country, Allegheny County has generated an unprecedented number of initial claims for unemployment insurance (UI) compensation as a result of recent job losses. Of Allegheny County workers who separated from employment since March 1, 61.1% reported that they had applied for UI at the time of the survey. An additional 32.6% said they planned to apply in the coming weeks. While 6.2% indicated they had not applied for UI, nor were intending to apply, many of these individuals were transitioning out of the workforce and are not expected to file for UI. Of workers employed March 1, but no longer receiving a wage or salary at the time of the survey, 4.7% reported they had separated from their previous job due to retirement or family reasons.

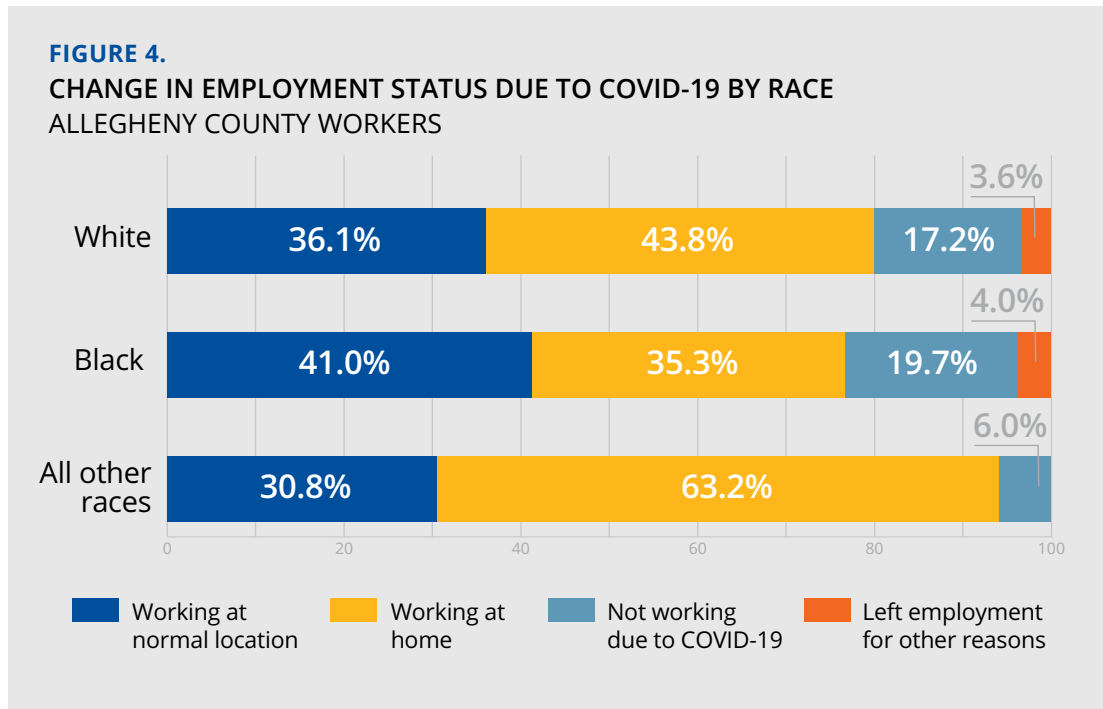
FIGURE 3.
STATUS OF APPLICATION FOR UNEMPLOYMENT INSURANCE (UI) COMPENSATION
 RECENTLY UNEMPLOYED WORKERS - ALLEGHENY COUNTY



Change in Employment Status by Subgroups

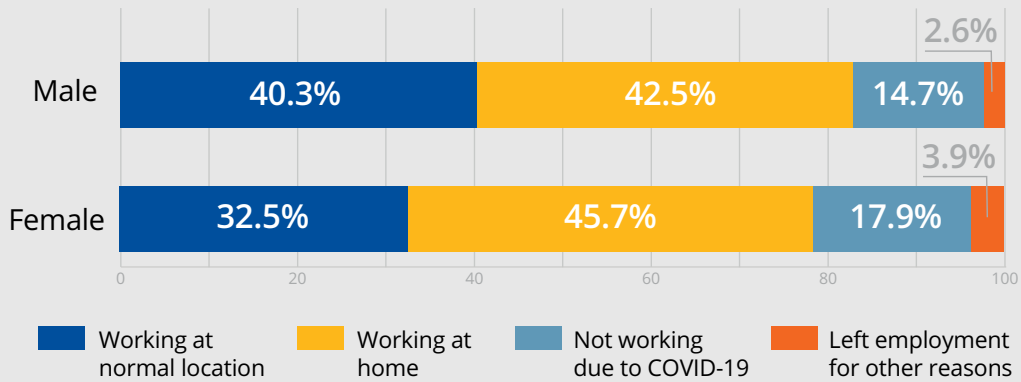
Changes in employment status due to COVID-19 differ by race. Of Allegheny County workers who were working on March 1, an estimated 19.7% of Black workers reported a recent loss of paid employment due to COVID-19, compared to 17.2% of White workers. Workers of all other races had the lowest job loss, with just 6% reporting a recent job separation due to COVID-19.

Emerging patterns of teleworking, or working at home, also differed by race. While 43.8% of White workers had recently shifted to telework or working at home, only 35.3% of Black workers had made a similar shift in their place of work; 63.2% of workers of all other races reported recently shifting to working from home.



Female workers residing in Allegheny County were more likely to have lost employment due to COVID-19. 17.9% of women working on March 1 were not receiving a wage or salary at the time of the survey, compared to 14.7% of men; 32.5% of women were working at their regular work location compared to 40.3% of men.

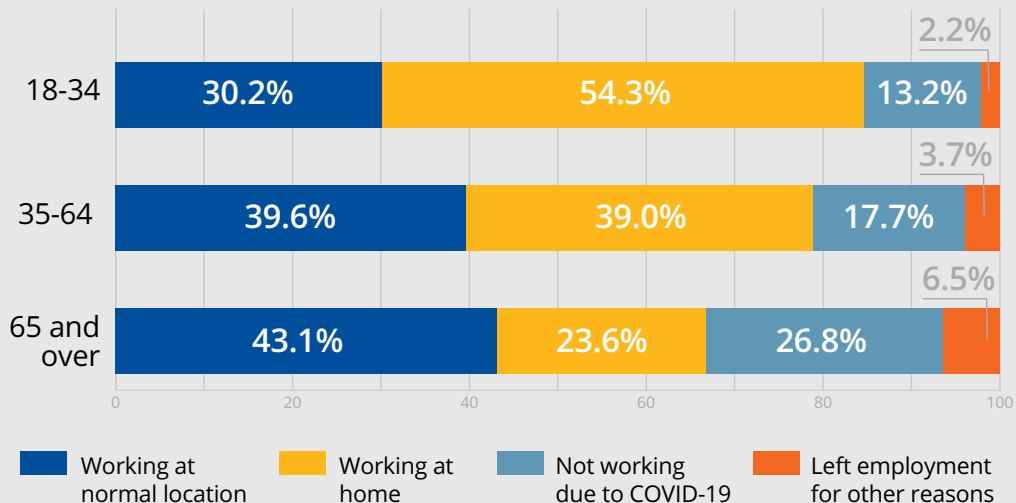
FIGURE 5.
CHANGE IN EMPLOYMENT STATUS DUE TO COVID-19 BY GENDER
 ALLEGHENY COUNTY WORKERS



Employment status and shifts in employment status due to COVID-19 differed significantly by age. Elderly workers (age 65 and over) were far more likely to lose paid employment due to COVID-19 and far less likely to shift to teleworking, or working at home, compared to younger workers. Only 23.1% of elderly workers shifted to working at home due to COVID-19, and 43.1% reported they continued to work at their regular workplace location. An estimated 26.8% of these elderly workers reported having recently lost paid employment due to COVID-19-related reasons.

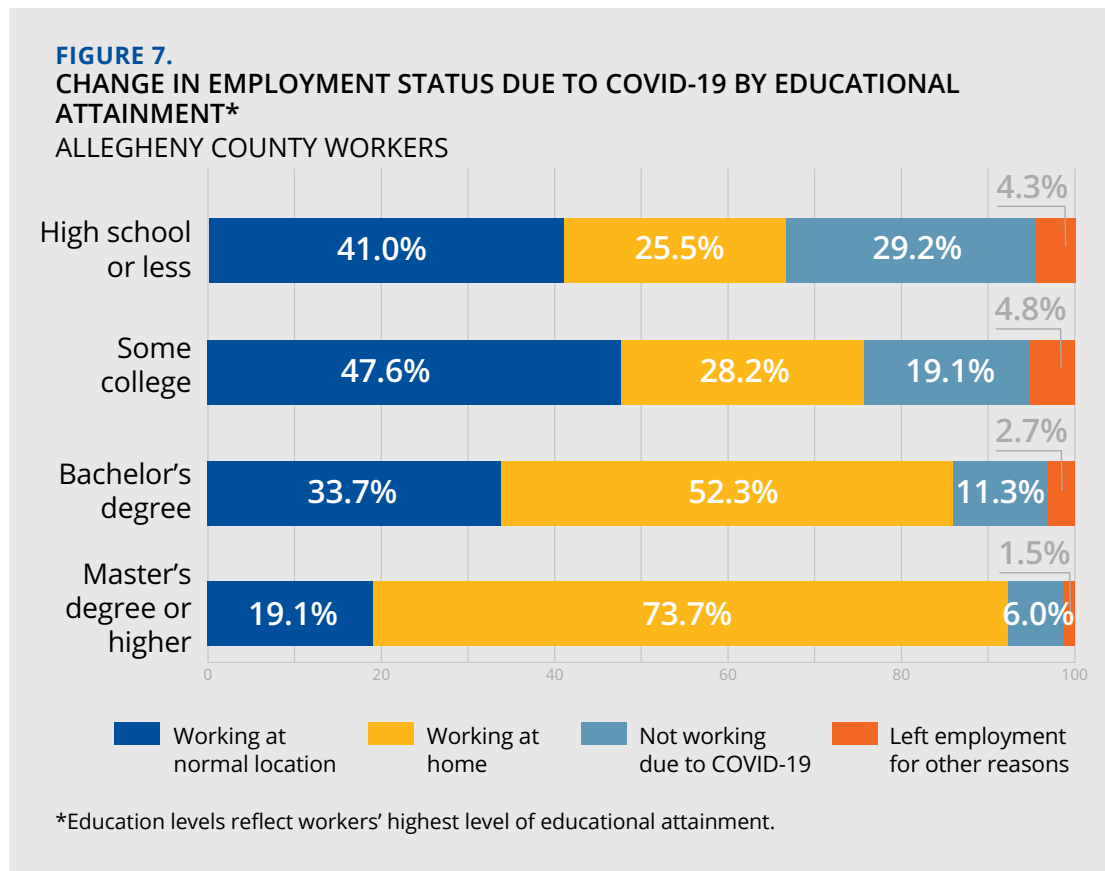
Younger workers in Allegheny County experienced the lowest rates of job loss and were the most likely to have shifted to working from home or teleworking. An estimated 54.3% of Allegheny County workers between ages 18-34 shifted to working at home due to COVID-19, while 30.2% continued to work at their regular workplace location; 13.2% of workers in this age range reported having recently lost paid employment due to COVID-19-related reasons.

FIGURE 6.
CHANGE IN EMPLOYMENT STATUS DUE TO COVID-19 BY AGE GROUP
 ALLEGHENY COUNTY WORKERS



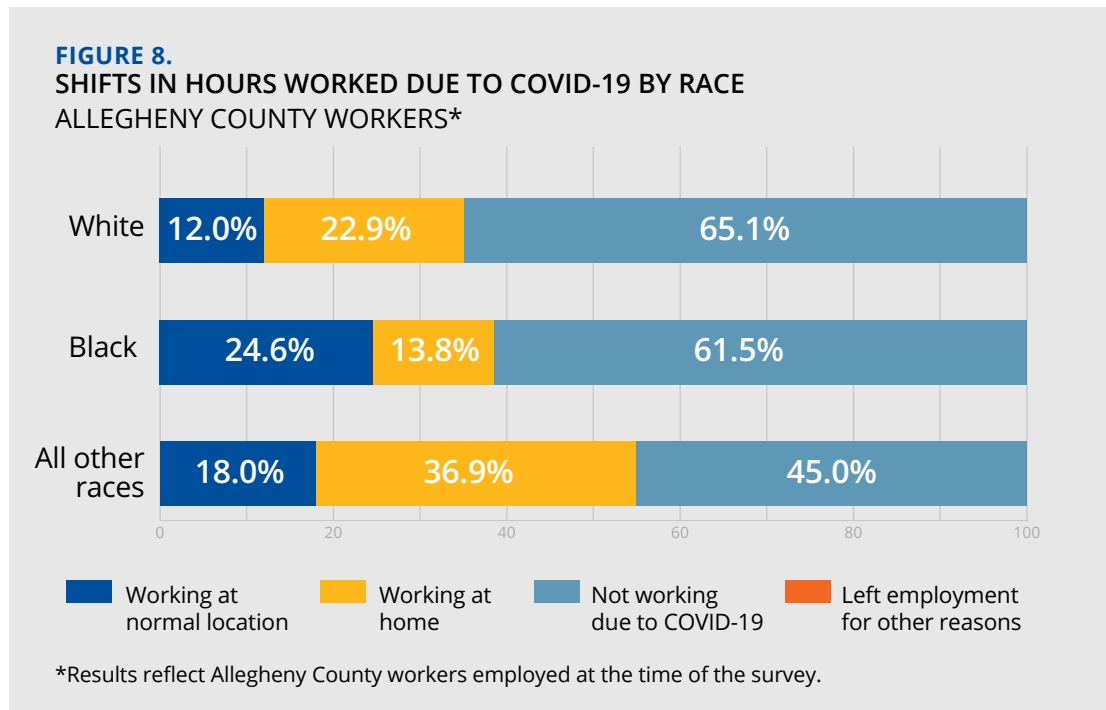
Job loss due to COVID-19 also differed significantly by educational attainment. 29.2% of workers with a high school degree or less reported recently losing paid employment due to COVID-19, compared to just 6.0% of workers with a graduate degree.

Workers with higher levels of educational attainment were also the most likely to have shifted to working at home or teleworking during this period; 73.7% of workers with graduate degrees shifted to working at home or teleworking compared to just 25.5% of workers with a high school degree or less.



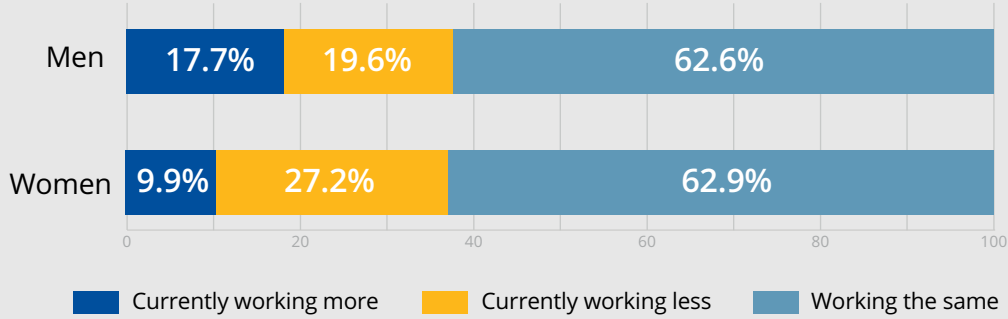
Shifts in Hours Worked by Subgroup

The majority of all workers who remained at work at the time of the survey reported working a similar number of hours weekly as compared to the period prior to the onset of COVID-19. However, Black workers were more likely to report working more hours than typical. 24.6% of Black workers reported working more hours than normal, compared to 12.0% of White workers. 13.8% of Black workers reported working fewer hours than normal, compared to 22.9% of White workers. 13.8% of Black workers reported working fewer hours than normal, compared to 22.9% of White workers.



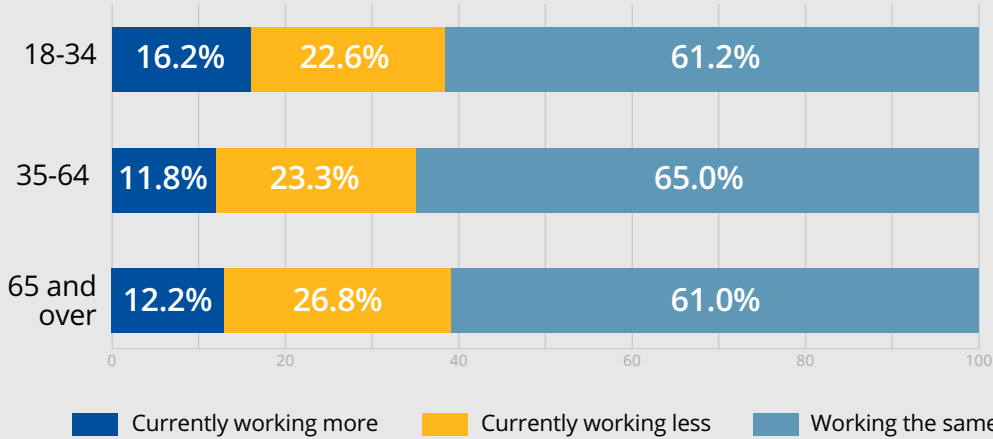
Among workers employed at the time of the survey, men were more likely to report an increase in the number of hours worked per week compared to before COVID-19 impacts. 17.7% of men reported an increase in typical hours workers compared to 9.9% of women. 19.6% of men reported a decrease in typical hours compared to 27.2% of women.

FIGURE 9.
SHIFTS IN HOURS WORKED DUE TO COVID-19 BY GENDER
 ALLEGHENY COUNTY WORKERS*



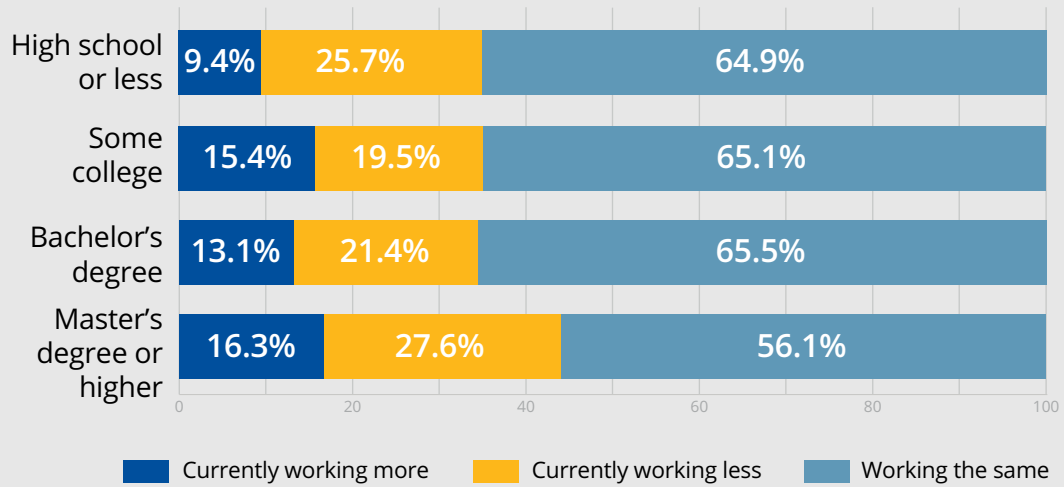
*Results reflect Allegheny County workers employed at the time of the survey.

FIGURE 10.
SHIFTS IN HOURS WORKED DUE TO COVID-19 BY AGE
 ALLEGHENY COUNTY WORKERS*



*Results reflect Allegheny County workers employed at the time of the survey.

FIGURE 11.
SHIFTS IN HOURS WORKED DUE TO COVID-19 BY EDUCATIONAL ATTAINMENT
ALLEGHENY COUNTY WORKERS*



*Results reflect Allegheny County workers employed at the time of the survey. Education levels reflect workers' highest level of educational attainment

Job Search and Applications for Unemployment Compensation

Applications for unemployment insurance (UI) compensation varied by race for recently unemployed workers in Allegheny County. While 63.7% of recently unemployed White workers reported having already applied for UI compensation at the time of the survey, just 51.2% of Black workers had done so. An additional 46.3% of Black workers who had lost paid employment reported they were intending to apply for UI benefits in the coming weeks.

FIGURE 12.
APPLICATION FOR UNEMPLOYMENT COMPENSATION BY RACE
RECENTLY UNEMPLOYED WORKERS - ALLEGHENY COUNTY

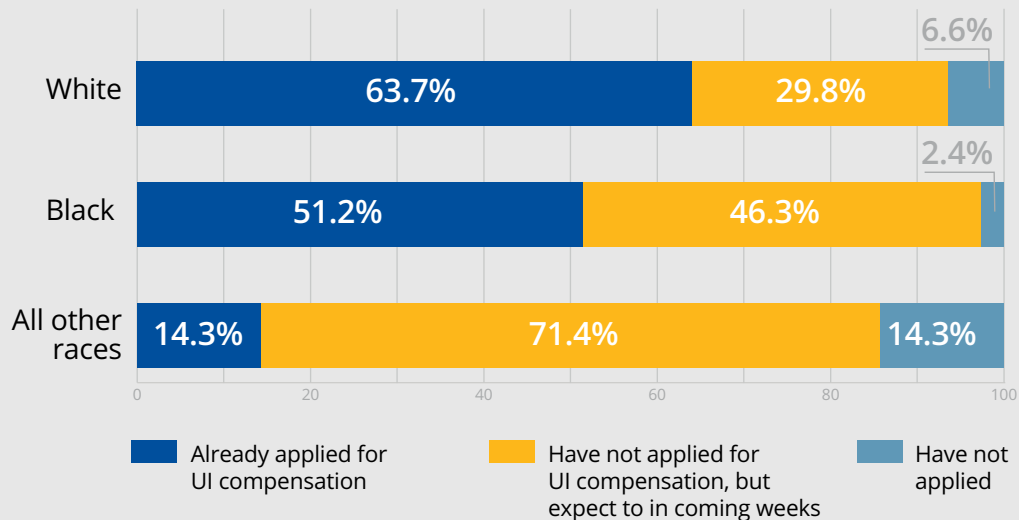


FIGURE 13.
APPLICATION FOR UNEMPLOYMENT COMPENSATION BY GENDER
RECENTLY UNEMPLOYED WORKERS - ALLEGHENY COUNTY

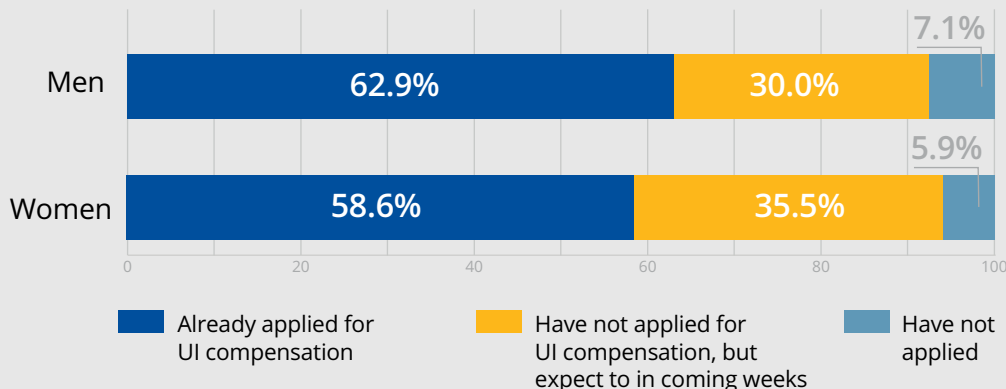


FIGURE 14.
APPLICATION FOR UNEMPLOYMENT COMPENSATION BY AGE
 RECENTLY UNEMPLOYED WORKERS - ALLEGHENY COUNTY

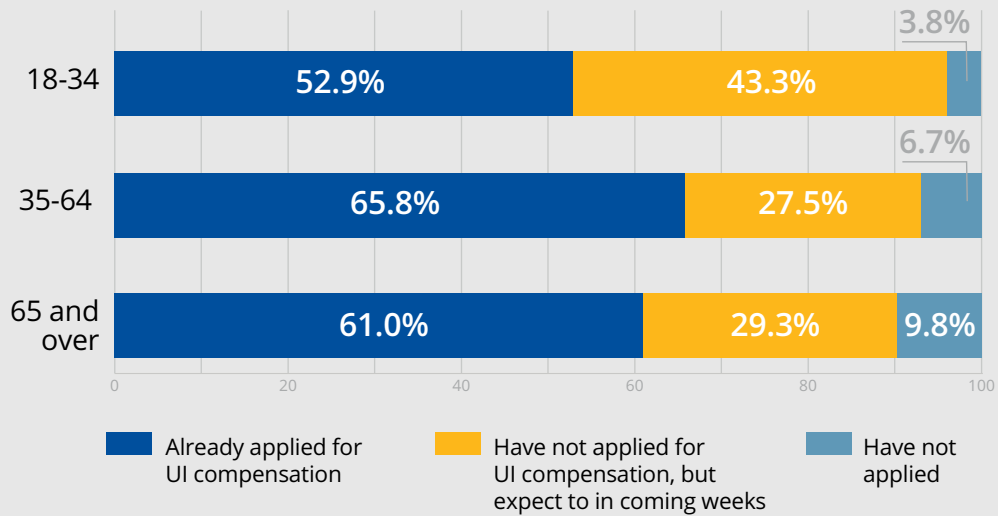
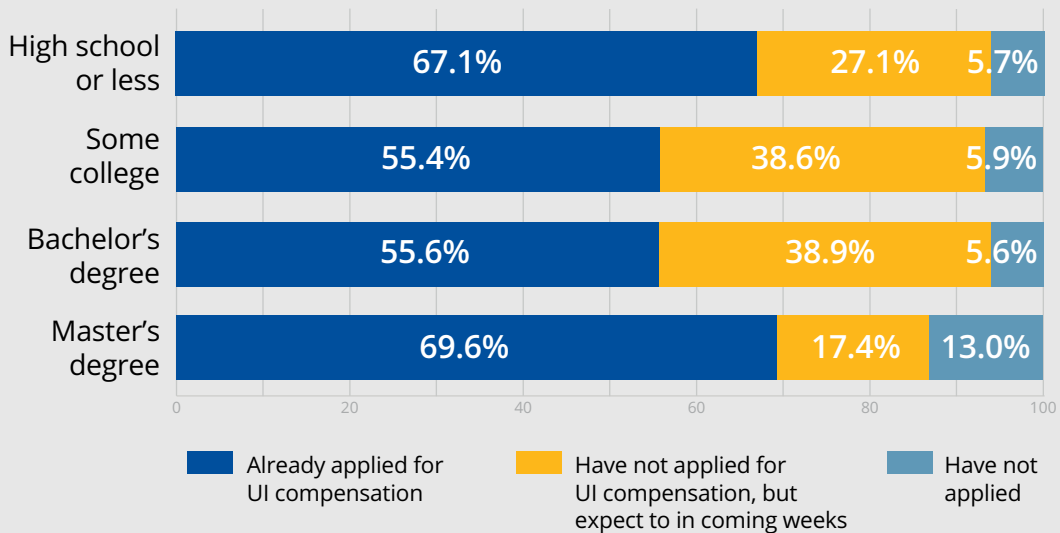


FIGURE 15.
APPLICATION FOR UNEMPLOYMENT COMPENSATION BY EDUCATIONAL ATTAINMENT*
 RECENTLY UNEMPLOYED WORKERS - ALLEGHENY COUNTY



*Education levels reflect workers' highest level of educational attainment.



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