

MEMORANDUM

To: Senator Sirotkin, Chair
Senate Committee on Economic Development

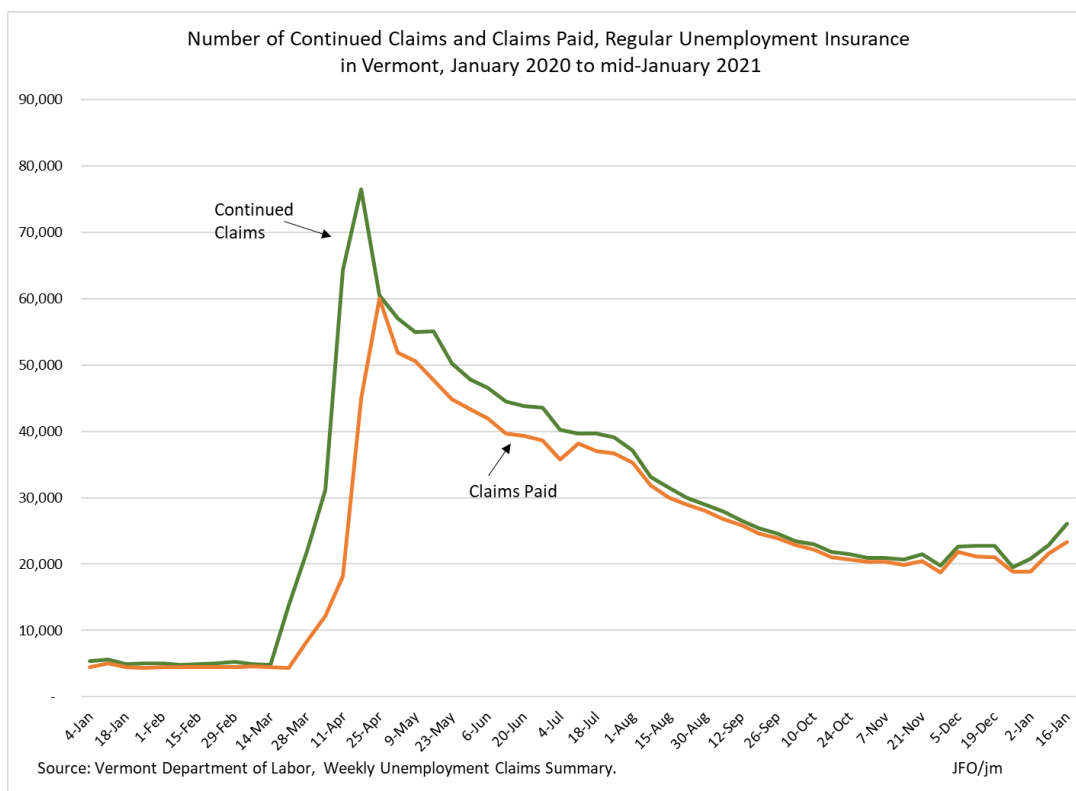
From: Joyce Manchester, Joint Fiscal Office

Date: January 28, 2021

Subject: Responses to Questions Raised about Vermont's Unemployment Data

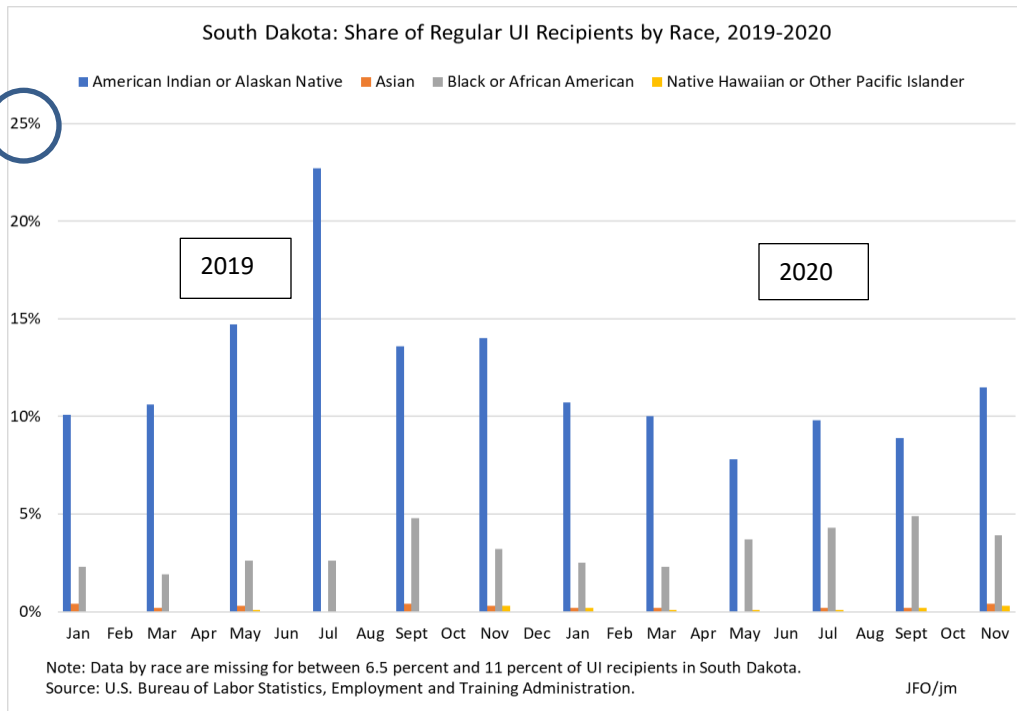
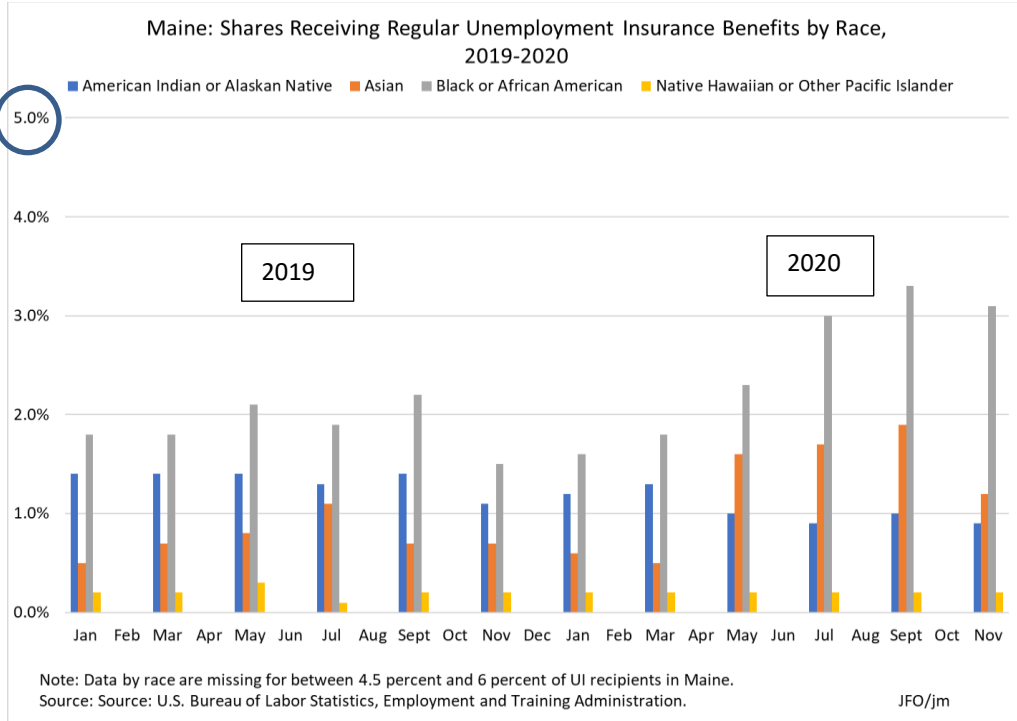
1. Number of Unemployment Insurance (UI) recipients weekly in 2020 (Senator Sirotkin)

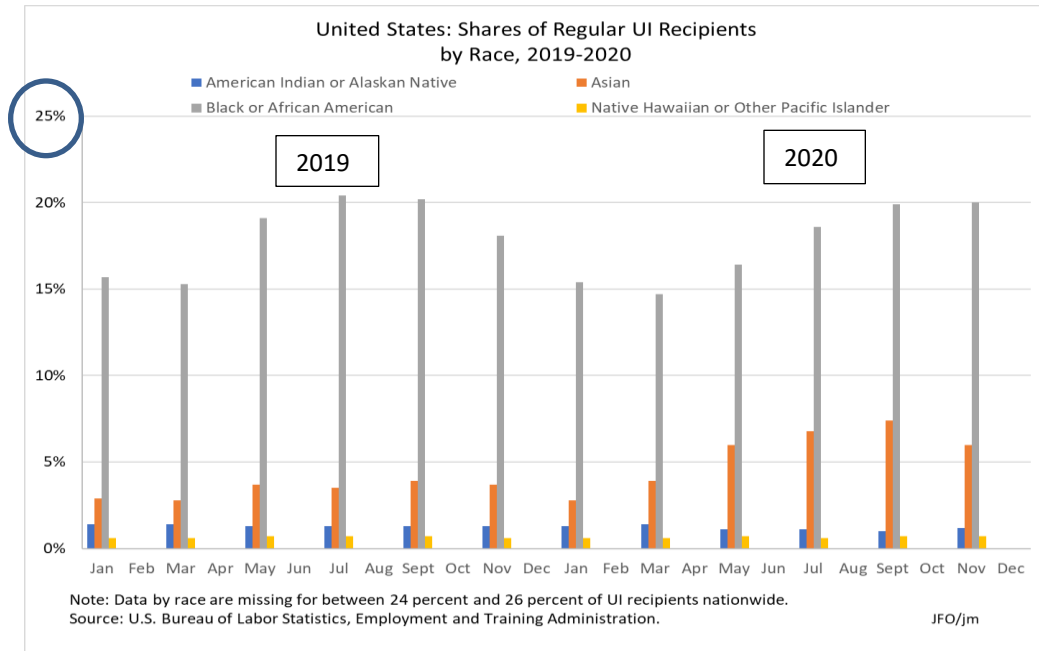
The figure below shows both the Number of Continued Claims and the Number of Claims Paid for regular Unemployment Insurance for the weeks ending January 4, 2020 through January 16, 2021



2. Data by race for regular Unemployment Insurance recipients in comparable states (Maine, Dakotas) and the United States (Senator Ram)

Maine and South Dakota had a small increase in the shares of Black or African American recipients; Maine and the United States had a small increase in Asian recipients.

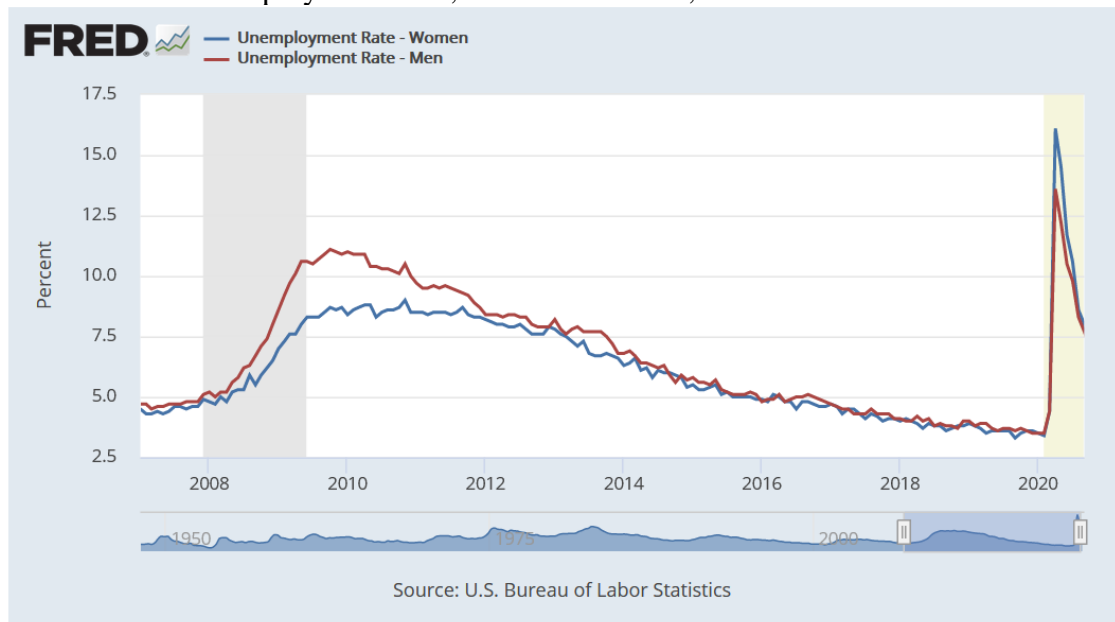




3. Unemployment rates for men and women before the Great Recession and before the COVID-19 Recession, U.S. and Vermont.

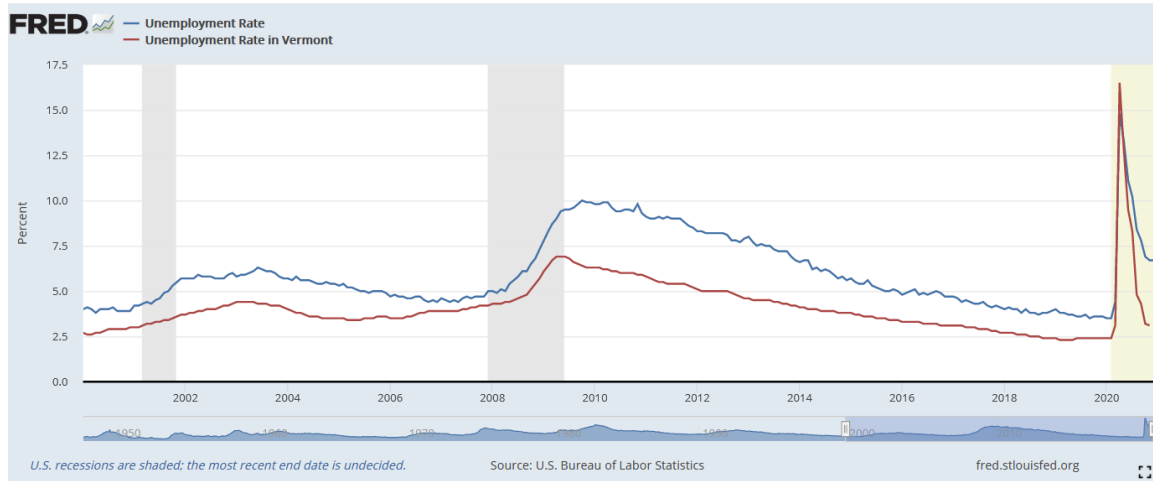
Note: An unemployed person not looking for a job is not included here

U.S. Unemployment Rate, Men and Women, 2007-2020



Source: https://fredblog.stlouisfed.org/2020/11/the-covid-19-induced-she-cession/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog

U.S. and Vermont Total Unemployment Rate, 2000-2020



4. Employment decisions of married couples during the COVID-19 recession (Senator Ram)

Data are not available to examine statewide or nationwide employment decisions of married couples during the COVID-19 recession. However, several articles from the press highlight difficulties associated with the COVID-19 recession for working women, especially those who have children.

“Recession with a Difference: Women Face Special Burden,” NYTimes, Nov. 17, 2020.

Hit hard by job losses and the pandemic’s effect on schooling and childcare, American women face short-term difficulties and long-term repercussions.

<https://www.nytimes.com/2020/11/17/business/economy/women-jobs-economy-recession.html>

“The Shecession (She-Recession) of 2020: Causes and Consequences,” VoxEU, Sept. 22, 2020.

There are two primary causes of the disproportionate impact of the current recession on women’s employment. First, women’s employment is concentrated in sectors that are relatively stable in typical business cycles but were strongly affected by the shutdown and social distancing measures during the pandemic. Primary examples are ‘contact-intensive’ sectors such as restaurants, which often have a high share of female employment. Second, as schools and daycare centers were shut down, parents’ childcare needs multiplied. Women have provided the majority of additional childcare during the crisis, leaving many of them unable to work.

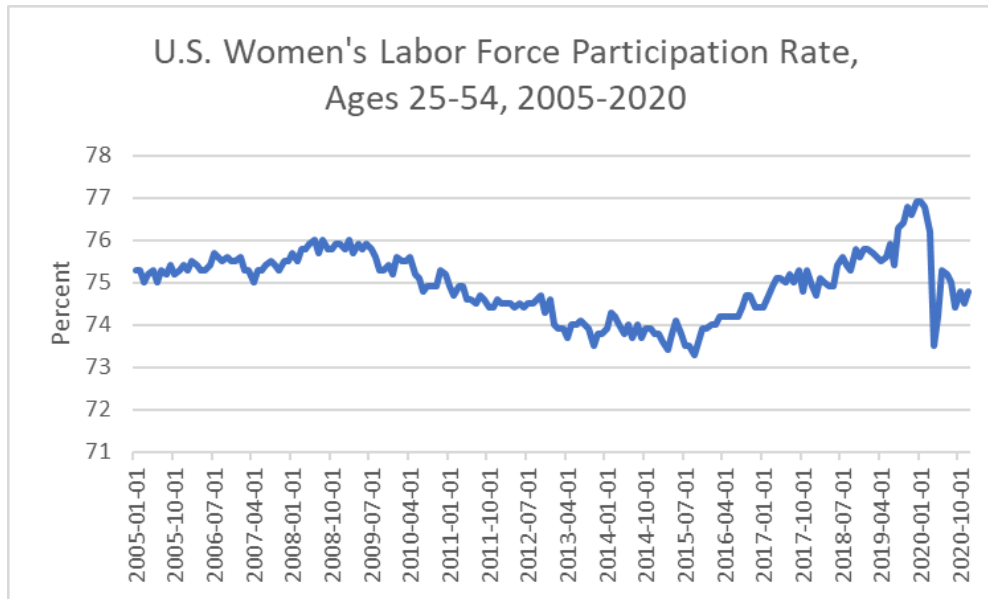
<https://voxeu.org/article/shecession-she-recession-2020-causes-and-consequences>

“How COVID-19 Sent Women’s Workforce Progress Backward,” Center for American Progress, October 30, 2020.

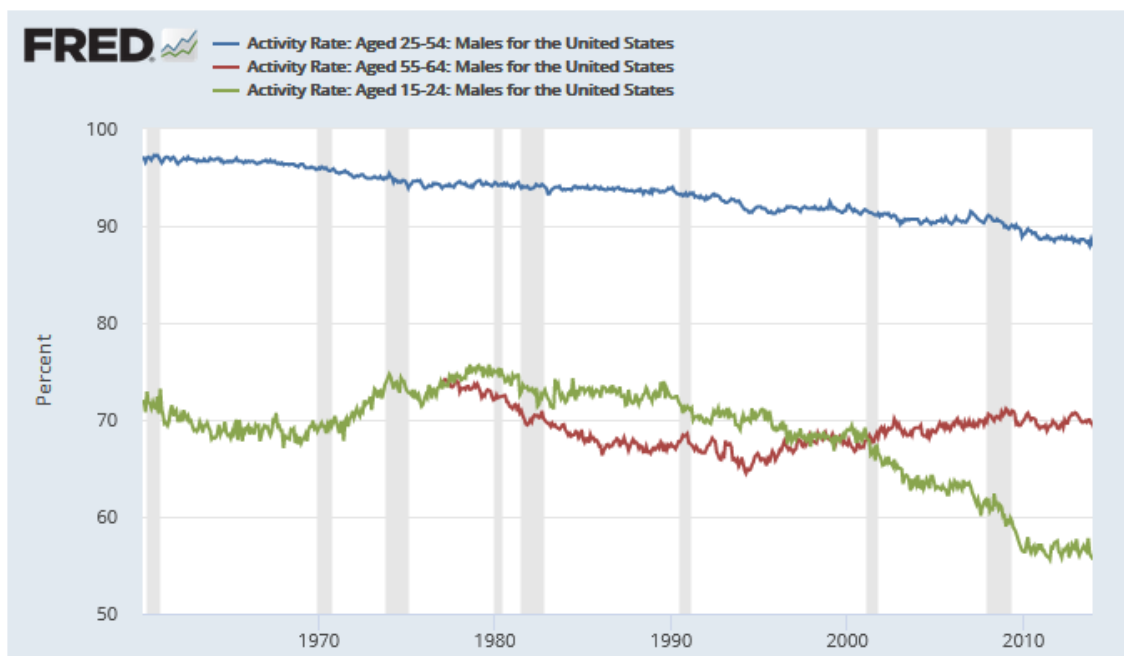
<https://www.americanprogress.org/issues/women/reports/2020/10/30/492582/covid-19-sent-womens-workforce-progress-backward/>

5. Labor force participation rates over time: age group, gender, and race (Sen. Ram) -- United States

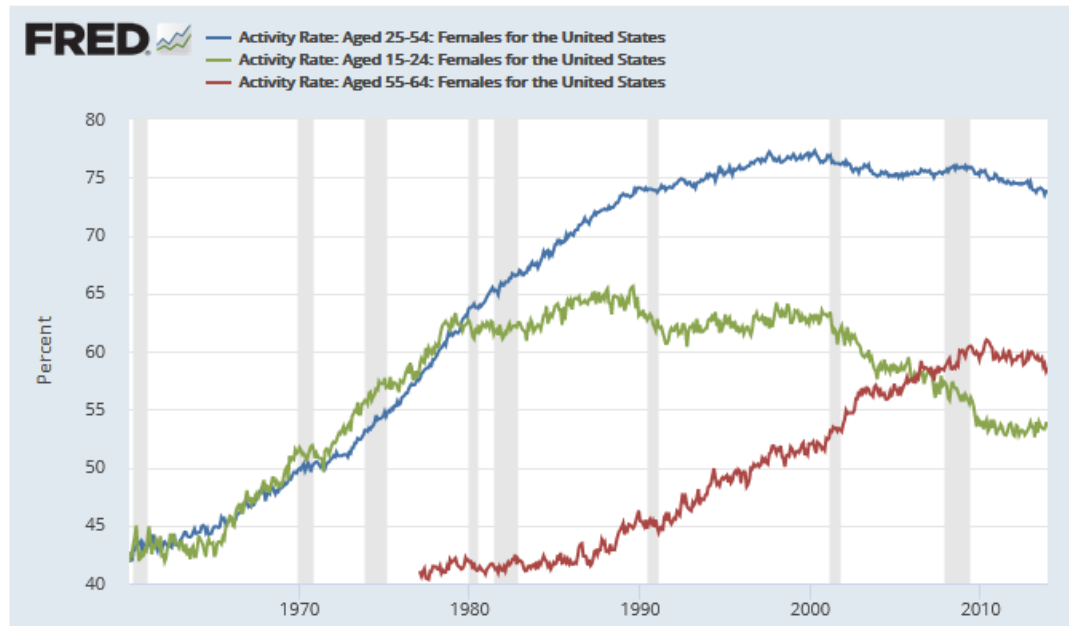
Group	Participation rate			Percentage-point change		Annual growth rate	
	1999	2009	2019	1999-09	2009-19	1999-09	2009-19
Total, 16 years and older	67.1	65.4	63.1	-1.7	-2.3	-0.3	-0.4
16 to 24	65.5	56.9	55.9	-8.6	-1.0	-1.4	-0.2
16 to 19	52.0	37.5	35.3	-14.5	-2.2	-3.2	-0.6
20 to 24	77.5	72.9	72.2	-4.6	-0.8	-0.6	-0.1
25 to 54	84.1	82.6	82.5	-1.5	-0.1	-0.2	0.0
25 to 34	84.6	82.7	82.9	-2.0	0.2	-0.2	0.0
35 to 44	84.9	83.7	83.1	-1.2	-0.5	-0.1	-0.1
45 to 54	82.6	81.6	81.4	-1.0	-0.2	-0.1	0.0
55 and older	31.8	40.0	40.2	8.1	0.3	2.3	0.1
55 to 64	59.3	64.9	65.3	5.6	0.4	0.9	0.1
65 to 74	18.3	25.6	27.8	7.4	2.2	3.5	0.8
75 and older	5.1	7.3	9.1	2.1	1.8	3.6	2.2
Men, 16 years and older	74.7	72.0	69.2	-2.8	-2.8	-0.4	-0.4
16 to 24	68.0	58.5	56.6	-9.6	-1.9	-1.5	-0.3
16 to 19	52.9	37.3	34.9	-15.6	-2.4	-3.4	-0.7
20 to 24	81.9	76.2	74.0	-5.7	-2.3	-0.7	-0.3
25 to 54	91.7	89.7	89.1	-2.0	-0.6	-0.2	-0.1
25 to 34	93.3	90.3	89.1	-3.0	-1.2	-0.3	-0.1
35 to 44	92.8	91.7	90.8	-1.1	-0.9	-0.1	-0.1
45 to 54	88.8	87.4	87.4	-1.4	0.0	-0.2	0.0
55 and older	39.6	46.3	46.3	6.7	0.0	1.6	0.0
55 to 64	67.9	70.2	71.5	2.3	1.3	0.3	0.2
65 to 74	23.3	30.4	32.6	7.2	2.2	2.7	0.7
75 and older	8.0	10.3	12.1	2.3	1.8	2.6	1.7
Women, 16 years and older	60.0	59.2	57.4	-0.8	-1.8	-0.1	-0.3
16 to 24	62.9	55.2	55.1	-7.7	-0.1	-1.3	0.0
16 to 19	51.0	37.7	35.7	-13.4	-1.9	-3.0	-0.5
20 to 24	73.2	69.6	70.4	-3.6	0.7	-0.5	0.1
25 to 54	76.8	75.6	76.0	-1.1	0.4	-0.1	0.1
25 to 34	76.4	75.0	76.7	-1.4	1.7	-0.2	0.2
35 to 44	77.2	75.9	75.7	-1.3	-0.2	-0.2	0.0
45 to 54	76.7	76.0	75.7	-0.7	-0.3	-0.1	0.0
55 and older	25.6	34.7	35.0	9.1	0.3	3.1	0.1
55 to 64	51.5	60.0	59.6	8.5	-0.4	1.5	-0.1
65 to 74	14.1	21.5	23.6	7.4	2.1	4.3	0.9
75 and older	3.3	5.3	6.8	2.0	1.6	4.8	2.6
White	67.3	65.8	63.0	-1.5	-2.8	-0.2	-0.4
Men	75.6	72.8	69.6	-2.7	-3.2	-0.4	-0.5
Women	59.6	59.1	56.8	-0.5	-2.3	-0.1	-0.4
Black	65.9	62.4	62.4	-3.4	0.0	-0.5	0.0
Men	68.7	65.1	64.8	-3.6	-0.2	-0.5	0.0
Women	63.6	60.3	60.5	-3.3	0.2	-0.5	0.0
All other groups ⁽¹⁾	66.2	65.2	64.4	-1.0	-0.8	-0.1	-0.1
Men	74.1	72.6	70.9	-1.6	-1.7	-0.2	-0.2
Women	59.0	58.4	58.6	-0.6	0.1	-0.1	0.0
Hispanic origin	67.7	68.0	66.8	0.2	-1.2	0.0	-0.2
Men	79.8	78.8	75.9	-1.0	-2.9	-0.1	-0.4
Women	55.9	56.5	57.7	0.6	1.2	0.1	0.2
Other than Hispanic origin	67.0	64.9	62.4	-2.1	-2.6	-0.3	-0.4
Men	74.1	70.8	67.7	-3.3	-3.0	-0.5	-0.4
Women	60.5	59.6	57.4	-0.9	-2.2	-0.1	-0.4
Age of baby boomers	35 to 53	45 to 63	55 to 73				
Footnote:							
¹ The "all other groups" category includes (1) those classified as being of multiple racial origin and (2) the race categories of (2a) Asian, (2b) American Indian and Alaska Native or (2c) Native Hawaiian and Other Pacific Islanders.							
Note: Historic data may not match BLS Current Populations Survey due to rounding at different aggregate levels							
Source: U.S. Bureau of Labor Statistics							



For long-term historical perspective, here is a blog from Federal Reserve Economic Data (FRED) on the U.S. “activity rate,” the international term for the labor force participation rate, for women and men by age group.



We see a strong drop in participation by young men, likely reflecting a larger share who are staying in school longer. Older men’s participation hasn’t changed much. The bulk of the overall decline comes from middle-aged men. They are the largest group and have the largest impact. But their participation has been declining throughout the sample period, so it is not a new phenomenon for them.



For women, the story is very different because of their large increase in labor force participation up until the end of the past century. Older women are still increasing their participation, but recent declines for younger women seem to mirror the declines for men. So, the recently accelerating decline in the overall participation rate may have to do with women's participation just not increasing like it used to.

Source: https://fredblog.stlouisfed.org/2014/09/the-demographics-of-the-activity-rate-decline/?utm_source=series_page&utm_medium=related_content&utm_term=related_resources&utm_campaign=fredblog

Vermont data on women's labor force participation rates, ages 25 to 54, were readily available for years 2015 to 2019 only.

Labor Force Participation Rate					
	2015	2016	2017	2018	2019
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Total	66.8	67.1	67	66.9	66.1
16 to 24 years	61.2	63.2	66	61.7	64.1
25 to 54 years	83.9	85.1	86.3	86.4	86
55 years and over	48.4	49	46.8	46.9	45.3
Men	69.9	71.3	71.1	70.9	69.9
16 to 24 years	60.1	65.7	68.9	63.5	62.6
25 to 54 years	86.9	88.5	89.1	90.9	90.3
55 years and over	53.2	54.1	51.2	49.5	49.6
Women	63.8	63.2	63	63.2	62.5
16 to 24 years	62.5	60.3	62.7	60	65.7
25 to 54 years	81.1	81.8	83.4	81.9	81.7
55 years and over	44	44.4	43	44.5	41.4
White	67.1	67.6	67.2	66.8	66
16 to 24 years	62	64.3	66.8	62.1	63.6
25 to 54 years	84.8	85.6	86.6	86.6	86.5
55 years and over	48.4	49.7	47.3	47.1	45.3

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics.