

Who has gone back to work?

What benefit claims show about jobs that returned in May

By DAN ROBINSON

In the wake of unprecedented job losses caused by COVID-19, how quickly people will be able to return to work has become a big economic question. A new and complex brew of reasons will keep some people out of the workforce for a while, but recent unemployment insurance claims data reveal a few patterns about the jobs that resumed in May.

What shows a likely return to work

Claims for unemployment insurance benefits soared in recent months because of the pandemic, and emergency federal and state legislation created extra inducement to file with a \$600 per week federal add-on to the regular state payment that

averages \$250 a week.

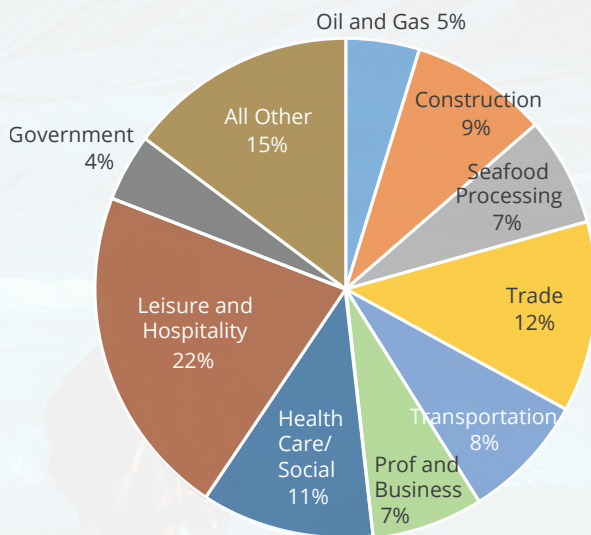
A high percentage of recent filers had never filed before. It can be a challenging process, complicated on the state's side by the dramatic jump in claims and federal legislation that expanded eligibility and increased benefit amounts, and complicated on the claimants' side by it being a new process for many.

Because the administrative hassle mostly goes away after the initial claim is validated and weekly payments begin, and because of the extra \$600, it's fair to assume most people who received benefits for a few weeks and then stopped filing did so because they went back to work.

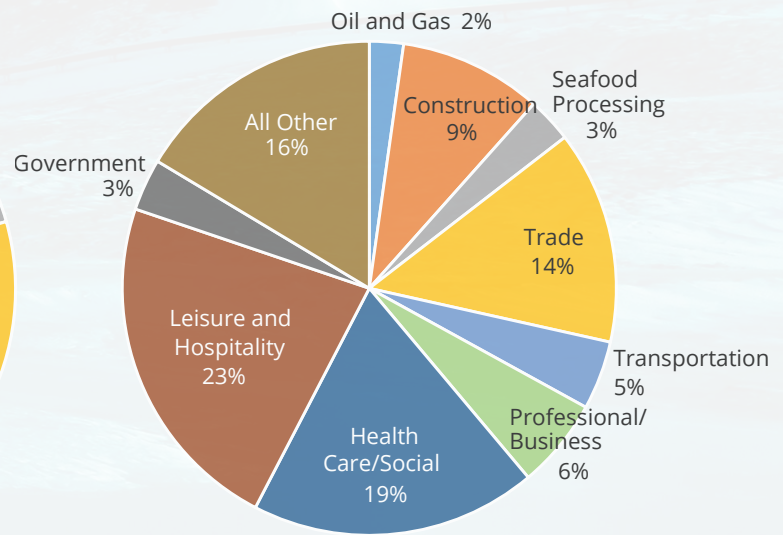
About 55,000 people received unemployment benefits in May. As the first chart below shows, the largest share, 22 percent, worked in leisure and hospitality

May unemployment insurance claimants and who stopped filing

All May claimants
(55,000)



Filed in May but then stopped
(8,300)



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

jobs at businesses such as bars, restaurants, hotels, and gyms. Those industries' job losses were easily the largest in May, down 40 percent from their May 2019 levels. (Alaska's overall job loss in May was 12.2 percent.)

Of the 55,000 May filers, about 8,300 (15 percent) received at least one week of benefits during the month and then stopped filing.

As the second chart on the previous page shows, the largest percentage of those who stopped filing, presumably to return to work, also came from leisure and hospitality — something that isn't surprising.

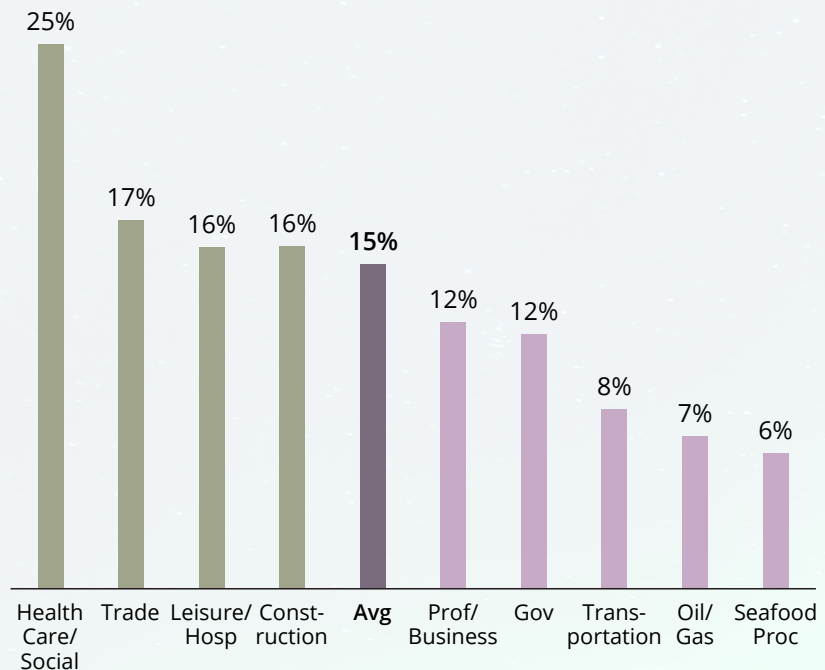
What's more telling are the industry slices that differ significantly between the two pie charts. For example, the percentage of the back-to-work people who came from health care and social assistance — 19 percent — was much larger than that industry's share of claimants overall (11 percent).

Health care workers were most likely to return in May

The chart on this page helps answer the original question about who's been able to return to work. On average, 15 percent of all filers returned to work in May, but 25 percent of filers who came from health care and social assistance went back to work. The shares were also slightly larger than average for trade (mostly retail), leisure and hospitality, and construction.

At the other end of the spectrum, the numbers suggest workers from certain industries mostly haven't returned. Smaller-than-average percentages

Share of industry's claimants who returned to work



Note: Percentage of industry's claimants who collected at least one week of benefits in May and then stopped filing

Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

of claimants from seafood processing, oil and gas, transportation, government, and professional and business services went back to work in May.

Some people in health care lost their jobs because elective procedures were postponed, voluntarily or by government mandate, and nonemergency care in general was radically but temporarily curtailed. Those jobs appear to be coming back quickest.

There's too much happening in seafood processing right now to speculate about its lower-than-average return rate, but it's clear that oil and gas job losses are less likely to be short-term than jobs in businesses that were temporarily forced to close. The same is true of lost jobs in government and transportation, especially transportation connected to summer tourism.

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