

Disastrous Jobs Report Underscores Need for Protections and Relief

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The economic aftershocks of the COVID-19 pandemic have had disastrous implications on workers, particularly workers earning low wages and workers of color. The Bureau of Labor Statistics' (BLS) **Employment Situation** for April reflects how deeply the economic contraction has hit U.S. workers and the entire labor force. Some 20.5 million workers lost their jobs in April, a rapid and unprecedented descent from the 230,000 jobs gained in February. The unemployment rate rose to 14.7 percent, the highest rate and the largest month-over-month increase in the history of this BLS measure, and likely the highest level of unemployment seen since the Great Depression.¹ With so many workers struggling to support themselves and their families, Congress must pass robust worker protections, develop equitable workforce development strategies, make high-quality postsecondary education more affordable, and increase access to adult education and literacy services.

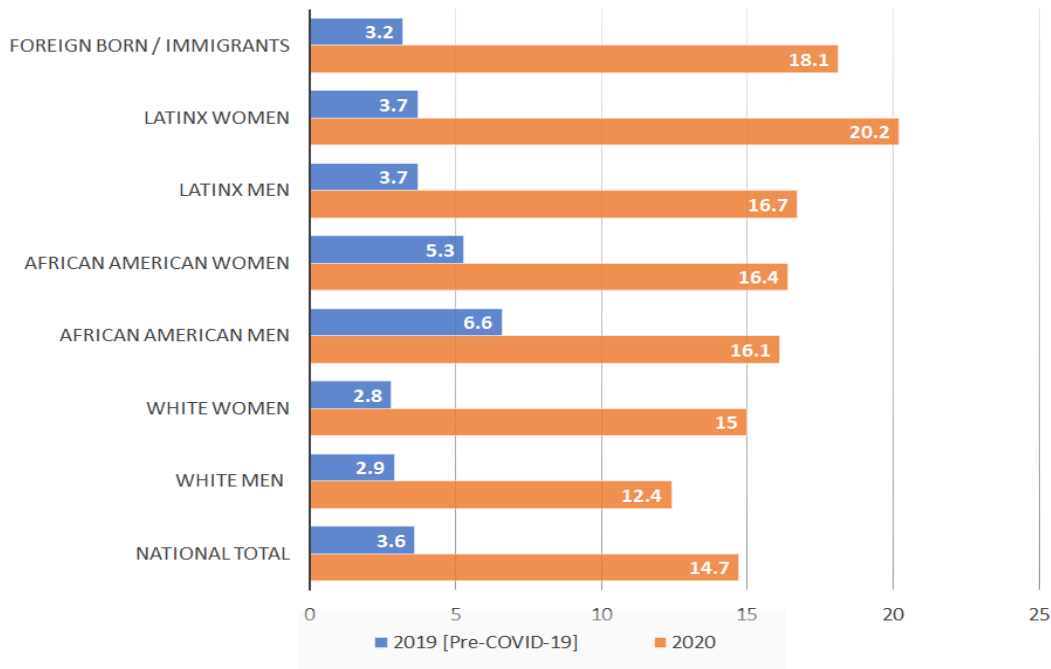
Breaking Down the Numbers

By demographic groups, the unemployment rates are particularly high for women and people of color (See Figure 1 below²). Latinx workers saw the highest jump in unemployment, a 13 percent increase, from March to April, followed closely by Black workers. These stark numbers provide further evidence that during economic

downturns, communities that have previously been marginalized are the most vulnerable. The outbreak of COVID-19, and the economic recession it triggered, have dramatically exacerbated historical labor market inequities. Racial disparities are not new: since **1973**, when the BLS started collecting Latinx data, Latinx and Black workers have consistently been unemployed at higher rates than their white counterparts. Due to systemic and structural racism and gender discrimination, it is no surprise that women, workers of color, and immigrants are suffering the most from the economic after-effects of the pandemic. Workers earning low wages, workers of color, and immigrant workers have long needed worker protections and workforce development programs designed with equity and upward mobility. The destructive consequences of COVID-19 make these policies all the more urgent.

**20.5
Million**
workers lost their jobs in
April

Unemployment Rate by Nationality, Race, and Gender (April 2019 vs. April 2020)



Who Are These Workers?

As shelter-at-home orders have shut down businesses, reduced hours, and prompted layoffs and furloughs, the number of full-time workers declined by 15 million and part-time workers by 7.4 million. Part-time workers accounted for one-third of the employment decline in the month of April. Workers who are part time for economic reasons, also known as involuntary part-time workers, nearly doubled to 10.9 million. Involuntary part-time workers prefer full-time hours but aren't able to find full-time work or their hours have been reduced.

Undoubtedly the health and economic implications of COVID-19 have led to this sudden increase in involuntary part-time workers. This also demonstrates the pervasiveness of **underemployment** during an economic downturn.

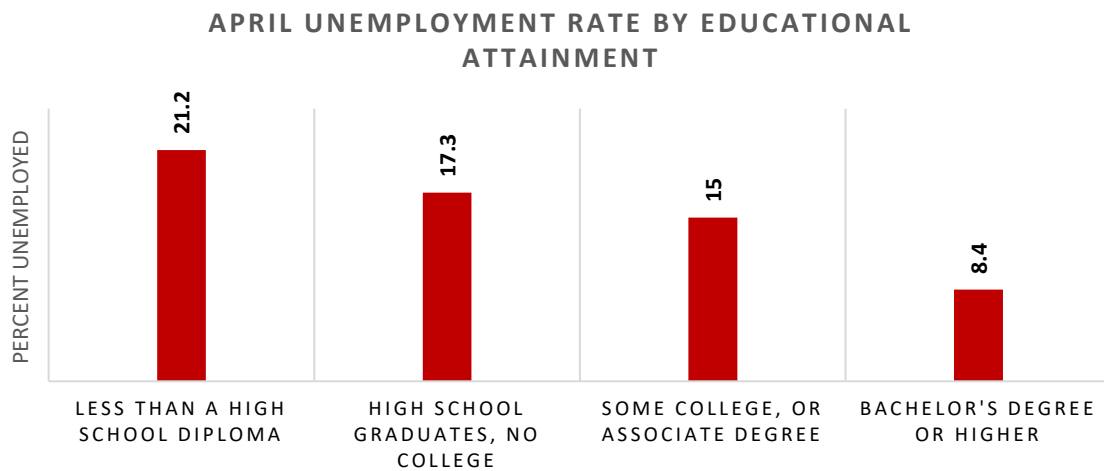
While workers in practically all major industry sectors have lost their jobs, the most dramatic decline has been in the leisure and hospitality sector, which fell by 47 percent (7.7 million people). Close to three-quarters of the decrease occurred in the food service and bar/nightclub industries where 5.5 million jobs were lost. These jobs are predominantly held by part-time, low-wage workers, and this

14.7
Percent
unemployment rate at the
end of April

dramatic loss speaks to the severe implications for these workers, and their families, who have been furloughed or let go from their jobs. About 6 million immigrant workers also **work** in the sectors hardest hit by COVID-19. While some of these jobs will return when the pandemic subsides, policymakers and employers must find ways to improve the quality of these jobs rather than returning to the status-quo, where workers lacked access to paid leave, family-sustaining wages, training and professional development opportunities, or any chance of an affordable postsecondary education.

Why Education Matters

During this pandemic, workers at all education levels suffered high unemployment.³ Among people with all levels of educational attainment, April unemployment was about 3-4 times higher than March levels. However, as in most crises, workers with solely a high school diploma and those without one struggled the most. Between those with less than a high school diploma and those with a high school diploma but no college, over 7.5 million people lost their jobs. These figures underscore the value of an education and show that individuals with a postsecondary education tend to fare better during economic downturns than those without a postsecondary credential or a high school diploma. We need a long-term strategy to support the millions of workers who will look to re-enter the job market and need assistance in accessing adult education, literacy services, and pathways to higher education that are more accessible and affordable.



Moving Forward

With over 36 **million people** filing for unemployment insurance in the last two months and state budgets getting cut, it's clear that policymakers need to focus on the importance of promoting job quality and increasing access to re-employment, workforce development, adult education and literacy services, and affordable postsecondary education opportunities—particularly for workers who face the greatest barriers to employment. Neither the pre-COVID-19 situation nor the current pandemic reality are sustainable or fair to the workers who hold up the economy. Before the pandemic, about 44 percent of the labor force were workers earning low **wages**, who were disproportionately people of

color. During the pandemic, many of those deemed essential and **still working on the frontlines** are workers earning low wages, workers of color, and immigrants. Without comprehensive job quality standards like paid family leave, paid sick days, and fair scheduling, these workers will continue to suffer. Equitable workforce **policies**, such as labor-sharing agreements or subsidized jobs programs—with supports like child care and transportation included—are also vital. Congress needs to step up now and pass worker protections and employment pathways to good jobs so that future Jobs Reports will show workers beginning to recover from this devastating crisis.

Endnotes

¹ BLS seasonally adjusted data are available back to January 1948

² Graph 1 Source: BLS, Employment Situation **Summary**, Tables A1-3, 7

³ Graph 2 Source: See above, Table A4