



An Analysis of Unemployment Insurance Claims in California During the COVID-19 Pandemic

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SUMMARY

A defining feature of the COVID-19 crisis in the labor market has been sharp and historically unprecedented increases in the number of initial unemployment insurance (UI) claims. This policy brief uses close to real-time information on daily initial UI claims in California from the state's Employment Development Department to better understand the magnitude of COVID-19's labor market impacts and how different types of workers are experiencing these impacts. This research is based on a partnership between the Labor Market Information Division of the California Employment Development Department and the California Policy Lab, a research center at the University of California, with sites at the UCLA and Berkeley campuses.

The size and richness of this data allow the gender, age, education, occupation, industry, and county patterns of the crisis to be examined in detail. Given the fast-moving nature of the crisis, this data source is an important complement to both traditional survey-based indicators on the labor market, which have detailed information but large lags and lower frequency, and to weekly publications of the number of total UI claims, which have minimal lags but lack the rich detail available here that can be used to better assist workers and firms affected by the crisis.

By comparing the characteristics of initial UI claims before and during the COVID-19 crisis, we arrive at the following insights on the nature of the large increases in UI claims in California from mid-March until the week ending April 11th. We focus on initial claims for regular UI benefits originating from claimants residing in California. In this policy brief, we will refer to these claims as "initial UI claims."¹

Key Insights from mid-March to April 11th

- 90% of initial claimants report they expect to be recalled to their prior job, a substantial increase from the 40% who had this expectation before this crisis.
- Younger workers made up a disproportionately large share of initial claims.
- Lower-educated workers made up a disproportionately large share of initial claims.
- Customer-facing service industries saw the largest increases in initial claims.
- Variation in claims between industries can partly explain differences in the age and education of initial claimants.
- The share of lower-wage workers among initial UI claimants rose during the crisis even after accounting for age and education.
- All counties experienced large increases in initial UI claims, but the growth was larger in the usually economically strong areas of the state.

This policy brief will be updated weekly as additional information on UI claims becomes available. Administrative data sources such as these sometimes get revised, and hence the numbers in this policy brief should be taken as preliminary.

Acknowledgments

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Evolution of Total Claims and Increases in Claims by Women

There were a total of 652,886 initial unemployment insurance (UI) claims filed in the week of April 5th–April 11th in California, down from 1,057,167 during the week of March 22nd–March 28th and from 915,815 during the week of March 29th–April 4th (Table 1). While there was a reduction in the number of initial claims in the week ending April 11th, the number of claims was still 16 times that of the average week in February. Moreover, the total number of claims during the COVID-19 crisis has reached a historical high. Over 2.6-million initial claims were filed in California between March 22nd and April 11th. In contrast, at the peak of the Great Recession, California's highest three week total of initial claims totaled fewer than 300,000, about a tenth of the recent surge.²

Initial UI claims began to grow quickly starting the week beginning March 15th, and hence we treat that date as a benchmark for the start of the COVID-19 related crisis in the labor market. We treat claims and employment in February as the pre-crisis benchmark that is not yet affected by the COVID-19 crisis. While historically the majority of UI claimants are men, women have filed 52%

of the total number of initial claims filed since March 15th (Table 2). Relative to the level prevailing in February of 2020, the fraction of initial claims filed by women rose by ten percentage points.

Since the beginning of the COVID-19 crisis in the labor market in mid-March, 16.6% of women and 12.6% of men in the labor force have filed initial claims.³ If all 14.4% of workers claiming since March 15th are still unemployed this suggests an unemployment rate approaching 20%, compared to a rate of 5.3% in the first half of March. Typically, fewer than two-thirds of unemployed workers apply for UI benefits, so the underlying total increase in the rate of unemployment could be one-and-a-half to two times as large as 14.4%.⁴

Younger workers made up a disproportionately large share of claims

Looking at the age distribution of initial UI claimants, we see that workers of all ages were affected (Table 3). However, younger workers are disproportionately represented in the large increases in initial UI Claims (Figure 2A). Figure 2B compares the age-distribution among initial claims filed since March 15th to the age-distribution of initial claims filed in January and February. Initial UI claims filed during the COVID-19 crisis were more concentrated among the young than claims filed earlier in the year both in relative and absolute terms. For example, claimants aged 20–24 made up 14% of total claimants since March 15th, despite only representing 9% of the state's labor force in February, while initial claimants aged 25–34 made up 29% of the total during that period despite representing only 25% of the workforce in February.

The last column of Table 3 shows that 22.8% of 20-24 year olds and 16.8% of 25-34 year olds in the California labor force have filed initial UI claims since the beginning of the COVID-19 crisis. Since younger unemployed workers are typically less likely to claim UI benefits, these numbers may imply substantially higher rates of unemployment. For comparison, about 12% of 35 to 64 year-old workers have filed initial UI claims during the same period.

Lower-educated workers made up a disproportionately large share of claims

The majority of the increase in initial UI claims occurred among lower-educated workers (Figure 3A). While initial

UI claims among all education groups increased since the beginning of the COVID-19 crisis in the labor market mid-March (Table 4), there were 2,230,936 initial claims among individuals with a high school degree or less, compared to 576,605 among all workers with at least some college combined. The last column shows that since March 15th, a staggering 36.7% of individuals in the labor force with just a high school degree filed initial UI claims, in contrast to 11.9% for workers with some college or an Associate's degree, and 5.7% for those with a Bachelor's degree.⁵ This implies potentially very large increases in unemployment rates among lower-educated workers.

While lower-educated workers typically have higher rates of UI claiming, their share among all initial claims rose from 40–50% before mid-March up to 70–80% of all UI claims at the start of the COVID-19 crisis and was between 50-60% in the week ending April 11th (Figure 3B). We will see below that this pattern is partly explained by the change in the industry composition of initial claims.

Ninety Percent of Workers Report Expecting to be Recalled to Prior Job

Upon filing an initial UI claim, individuals are asked to report whether they expect to return to their prior job, i.e. to be “recalled.” Almost 90% of all initial UI claimants during the surge of UI claims in the last two weeks reported that they expect to be recalled (Figure 4). This contrasts to a level of around 40-50% during February. The fraction of workers expecting to be recalled was very high among all demographic groups filing an initial claim (Table 5).

In February, a higher share of male workers, older workers, and lower-educated workers reported that they expect to be recalled. Since March 15th, differences in recall expectations by claimant education have been reduced, while gaps in recall expectations by claimant gender and age have been almost completely eliminated.

We also analyzed the percent of workers reporting they expect to be recalled by major industry (Table 7). Before the crisis the incidence of self-reported recall expectation varied from low rates of 7.6% in Finance and Insurance and 15.7% in Management, to high rates in Construction of 56.5% and Agriculture, Forestry, Fishing and Hunting of 80.5%, with a median rate of 32% across major industries. In stark contrast, during the COVID-19 crisis, reported rates of recall are 80-90% in all industries other than Finance and Insurance,

which had a rate of 75.7%.

Although this information is self-reported by the claimant and may change in the course of the unemployment spell, this does suggest some reason for optimism about the economic effects of the COVID-19 crisis. While still costly both for the workers themselves and for the economy as a whole, temporary job separations in which the worker eventually returns to the same employer are likely to be much less costly than permanent separations. For these reasons, it will be important to monitor the evolution of recall expectations among initial UI claimants throughout the course of the crisis.

Customer-Facing Service Industries Saw the Largest Increases in Claims

To assess the impact of COVID-19 on different industries in California we categorized claimants by the major NAICS code associated with the primary employer in their base period.⁶ We see that Accommodation and Food Services had by far the earliest and largest rise in initial UI claims in the second half of March, followed by Retail Trade (Figure 5A). While both the Accommodation and Food Services industry and the Retail Trade industry each account for about 11% of the state's labor force, they respectively accounted for over 21% and close to 14% of initial UI claims since mid-March. Interestingly, Health Care and Social Assistance also experienced substantial increases in initial claims, as did Administrative Support and Waste Management and Other Services. However, it appears that most sectors have experienced similar changes in applications since the end of March, with a large number of claims in the first week of April and a reduced number of claims in the second week of April.

Relative to claimants' industries before the crisis, Accommodation and Food Services, Retail Trade and Health Care and Social Assistance have accounted for a substantially higher share of total initial claims since March 15 than they did before the crisis (Figure 5B). The unusual incidence of initial UI claims in these sectors is not surprising in light of social distancing and ‘stay in place’ orders. In several industries, the fraction of the California labor force (within that industry) that filed an initial UI claim between March 15th and April 11th was close to or over 20% (Table 6). As previously mentioned, historically less than two-thirds of laid off workers have applied for UI benefits, so the implied increase in the overall unemployment rate by industry could be one-and-a-half to two times these numbers.

Variation in Claims Between Industries Can Partly Explain Differences in the Age and Education of Claimants

The disproportionate rise in initial UI claim filing by younger and lower-educated workers is partially explained by the type of businesses affected by the COVID-19 crisis.

We find no increase in the share of younger initial UI claimants within the major industries that experienced large increases in claims (Figure 6A). In fact, we see that within sectors more mature workers are somewhat more likely to file initial UI claims, a sign that the crisis affected workers whose jobs are typically more stable. This suggests that the rise in the share of younger UI claimants seen for the California economy as a whole is likely explained by changes in the types of businesses affected, rather than businesses predominantly laying off younger workers. Food service and retail establishments typically hire a larger share of younger workers. Because these sectors are more affected by COVID-19 (Figure 5A), so are younger workers.

The most affected sectors also usually hire predominantly lower-educated workers, so a rise in unemployment in those sectors will also fall disproportionately on that group. However, in contrast to the patterns by age, we find a substantial but temporary rise in the share of lower-educated initial UI claimants even within these sectors (Figure 6B). Put differently, food service establishments are not only laying off more workers, but they now also appear more likely to lay off their less-educated staff. An alternative explanation would be that businesses within these sectors employing predominantly lower-educated workers are more likely to close or to lay off workers. Yet, we see that the share of lower-educated workers within major sectors appears to be returning to its pre-crisis level by April 11th. Hence, the remaining increase in education shares among statewide claims in Figure 3B is likely due to the shift in initial UI claims towards more low-skill intensive sectors during the COVID-19 crisis, such as Retail Trade and Accommodation and Food Services.

The Share of Initial Claimants Receiving the Maximum Weekly Benefit Amount Dropped Significantly from Feb. to April

Lower-wage workers were particularly affected by the COVID-19 crisis in the labor market. The Weekly Benefit Amount (WBA) in California is determined by prior wages during a base period and is capped at a maximum weekly UI benefit amount of \$450.⁷ Any worker earning approximately \$900/week (or \$45,000/year at 50 working weeks) or more in the highest earning quarter of the base period receives the maximum WBA. Hence, the fraction of initial claimants that receives the maximum weekly benefit can be used as a measure of prior earnings levels among initial claimants. In February, around 40-50% of initial UI claimants received the maximum WBA. Starting in mid-March, coinciding with the dramatic increase in the total number of claimants, the share of claimants receiving the maximum WBA began to decline, and was about 20-25% by the end of the second week of April (Figure 7). This implies that the increase in claims is predominantly driven by low-wage workers.

This could simply be a result of the increasing share of younger and less-educated workers among recent claimants, since such workers have lower earnings in their base periods. Yet, these shifts cannot explain the decline in the fraction of initial claimants at the benefit maximum that we observe. Instead, the decline also occurs within specific groups of claimants, including several groups with typically higher earnings — men, workers with at least a college degree, and older workers (Table 5).

The picture among industries is more uneven. In several sectors hard hit by the crisis, including Accommodation and Food Services, and Retail Trade, and Health Care and Social Assistance, the fraction receiving the maximum WBA increased slightly, consistent with the fact that the age distribution of claimants from those sectors has shifted slightly towards the older (Figure 6A), and were partly drawn from typically more stable, higher-earning workers. Several other sectors saw a reduction in the fraction of workers receiving the maximum, such as Professional, Scientific, and Technical Services and Information (Table 7). Hence, the proportion of lower-wage workers claiming benefits rose among most major demographic and some industry groups in the California labor market during the COVID-19 crisis.

Increases in UI Claims More Pronounced in Urban Counties

We also analyzed whether the COVID-19 crisis had disparate impacts across the state. Among the most populous counties (Table 8), Los Angeles County saw the largest total of initial claims since March 7th, followed by San Diego County, while Orange County saw the third most initial claims.⁸ Since these counties differ in population, we also computed the fraction of the labor force in the respective county that filed initial claims. In Los Angeles County, 16.1% of individuals in the labor force filed initial UI claims, while it was 16% in San Diego County, and 15.6% in Orange County. Because not all laid-off workers file for UI, the actual number of people who were laid off could be substantially larger.

We also examined differences across regions, especially with an eye towards how areas with traditionally higher unemployment fared during this crisis. Figure 8 shows the growth in initial claims since the beginning of the COVID-19 crisis relative to the average number of initial UI claims prevailing in February in six economic areas of the state.⁹ The growth in daily initial UI claims relative to the average in February has been particularly pronounced in the usually economically strong areas of the state, the Bay Area, Los Angeles County, and the rest of southern California. After a sharp rise, the Central Valley, and North and Mountain counties has smaller growth in claims relative to the initial level in February. Central and Southern Farm areas had comparatively smaller — albeit still substantial — increases in initial UI claims relative to the benchmark.

Note:

For inquiries about the definitions, methodology, and findings of this policy brief, please contact Till von Wachter.

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FIGURE 1: Daily Initial UI Claims During the COVID-19 Crisis in California, 2/29/2020–4/11/2020

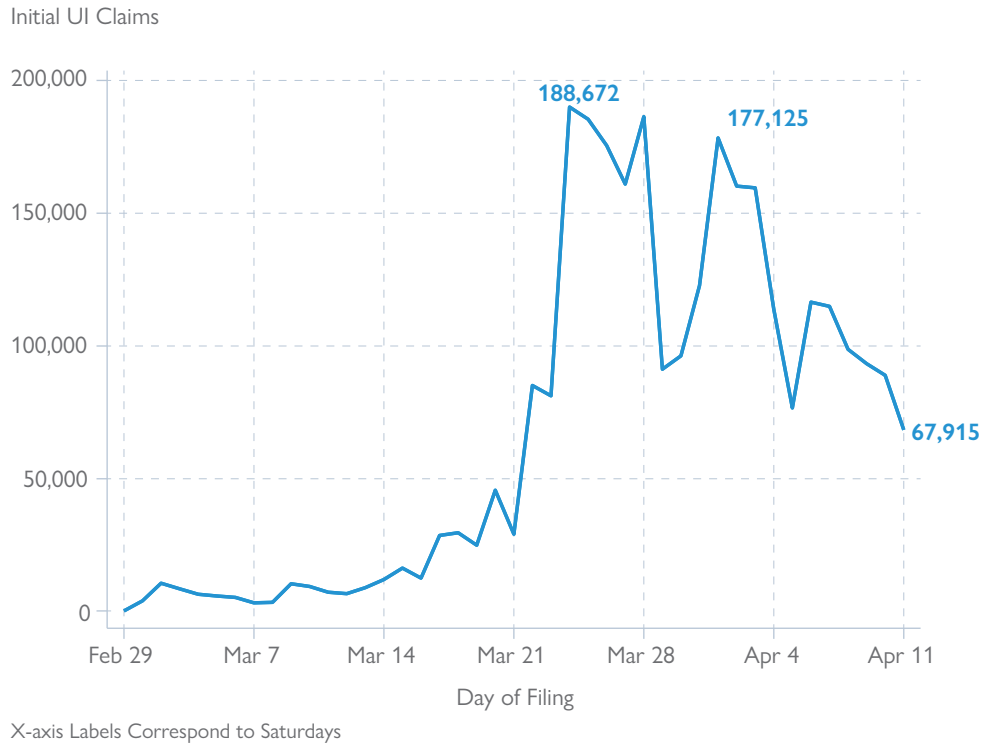


TABLE 1: Weekly Initial UI Claims During the COVID-19 Crisis in California, 1/11/2020–4/11/2020

WEEK ENDING	TOTAL INITIAL CLAIMS	CUMULATED INITIAL CLAIMS SINCE MARCH 15TH
Jan 11	53,430	–
Jan 18	65,765	–
Jan 25	46,376	–
Feb 01	43,511	–
Feb 08	40,754	–
Feb 15	43,623	–
Feb 22	35,129	–
Feb 29	42,265	–
Mar 07	43,609	–
Mar 14	57,707	–
Mar 21	185,545	185,545
Mar 28	1,057,167	1,242,712
Apr 04	915,815	2,158,527
Apr 11	652,886	2,811,413

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file.

TABLE 2: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Gender

GENDER	WEEK ENDING MARCH 28TH	WEEK ENDING APRIL 4TH	WEEK ENDING APRIL 11TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Female	565,651	475,611	329,548	1,466,521	8,824,000	16.6
Male	490,149	437,709	320,604	1,338,051	10,605,000	12.6
Column Total	1,055,800	913,320	650,152	2,804,572	19,429,000	14.4
% Female	53.6	52.1	50.7	52.3	45.4	–

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Column Total excludes claimants not reporting Gender.

TABLE 3: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Age Group

AGE GROUP	WEEK ENDING MARCH 28TH	WEEK ENDING APRIL 4TH	WEEK ENDING APRIL 11TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
16–19	37,348	29,141	20,435	90,426	531,000	17.0
20–24	174,770	116,845	80,226	396,396	1,741,000	22.8
25–34	336,025	238,267	164,860	802,219	4,780,000	16.8
35–44	194,211	177,994	125,906	535,813	4,303,000	12.5
45–54	152,721	166,123	119,760	466,938	3,904,000	12.0
55–64	121,628	137,950	101,942	383,303	3,019,000	12.7
65–85	38,285	45,667	35,236	125,454	1,152,000	10.9
Column Total	1,054,988	911,987	648,365	2,800,549	19,430,000	14.4

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported age or those reporting age less than 16 or greater than 85.

FIGURE 2A: Initial UI Claims During the COVID-19 Crisis in California by Age Group, 2/29/2020–4/11/2020

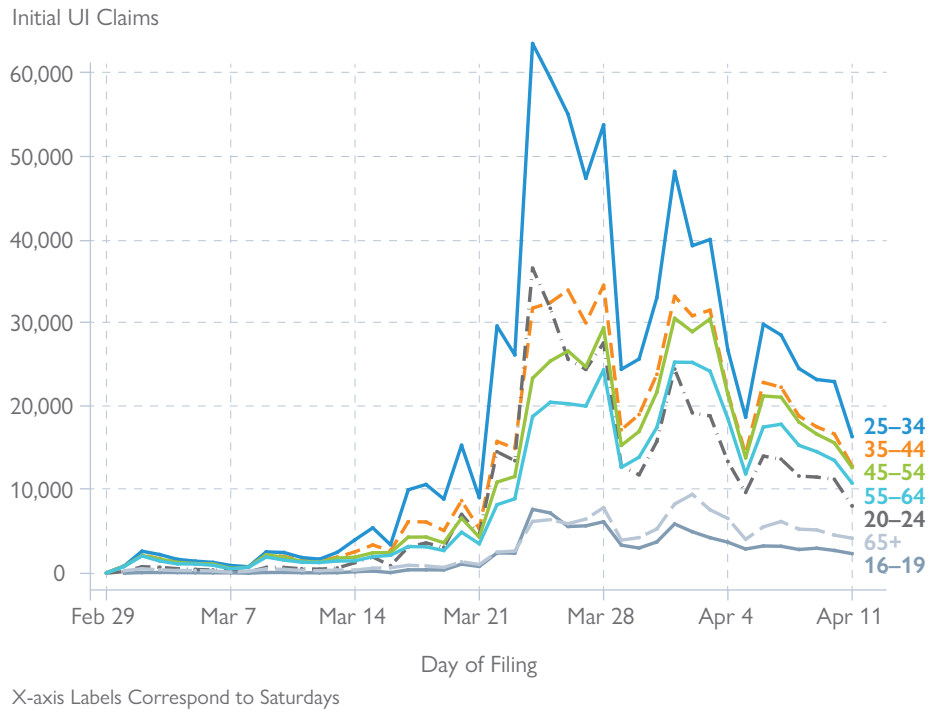


FIGURE 2B: Age Distribution of Initial UI Claims Since the Start of COVID-19 Crisis in Mid-March vs. Jan–Feb. 2020

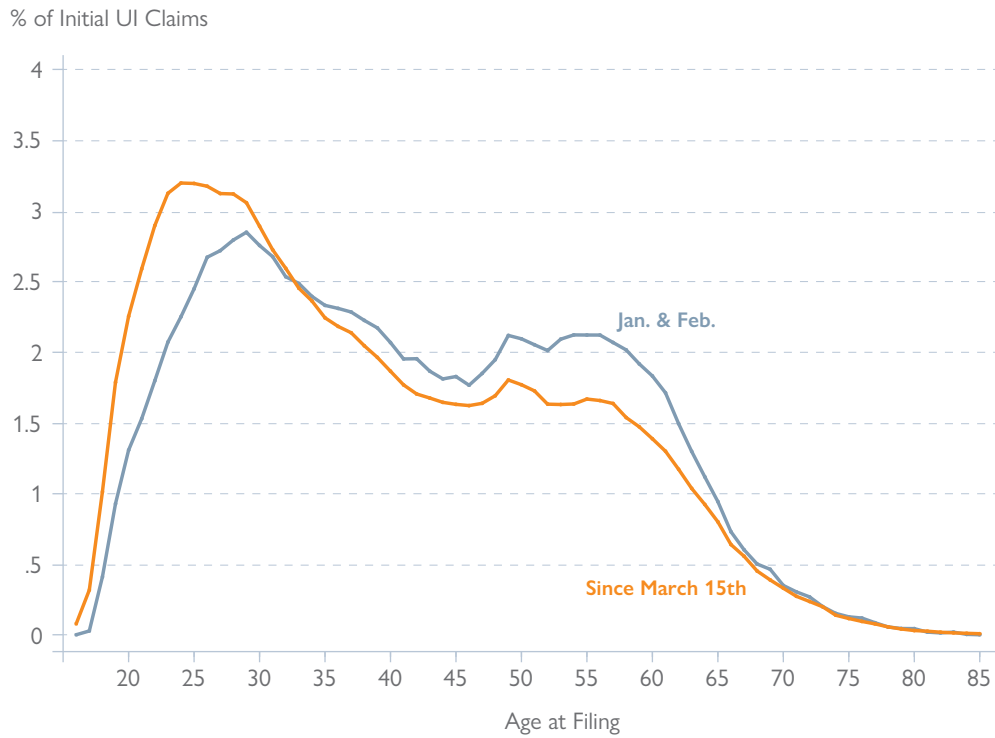


FIGURE 3A: Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–4/11/2020

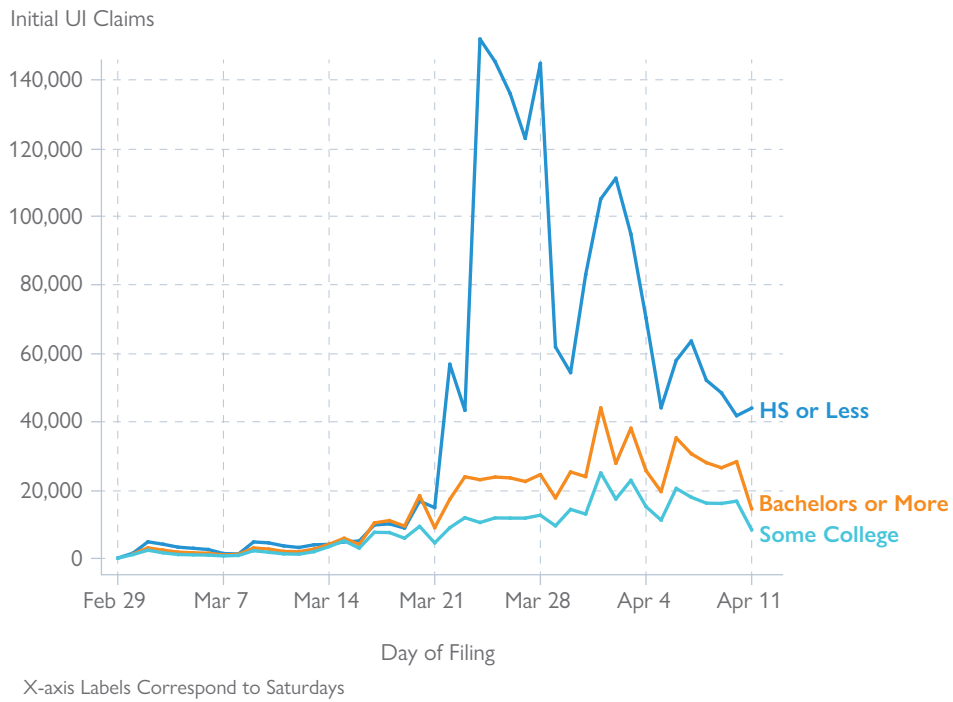


FIGURE 3B: Share of Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–4/11/2020

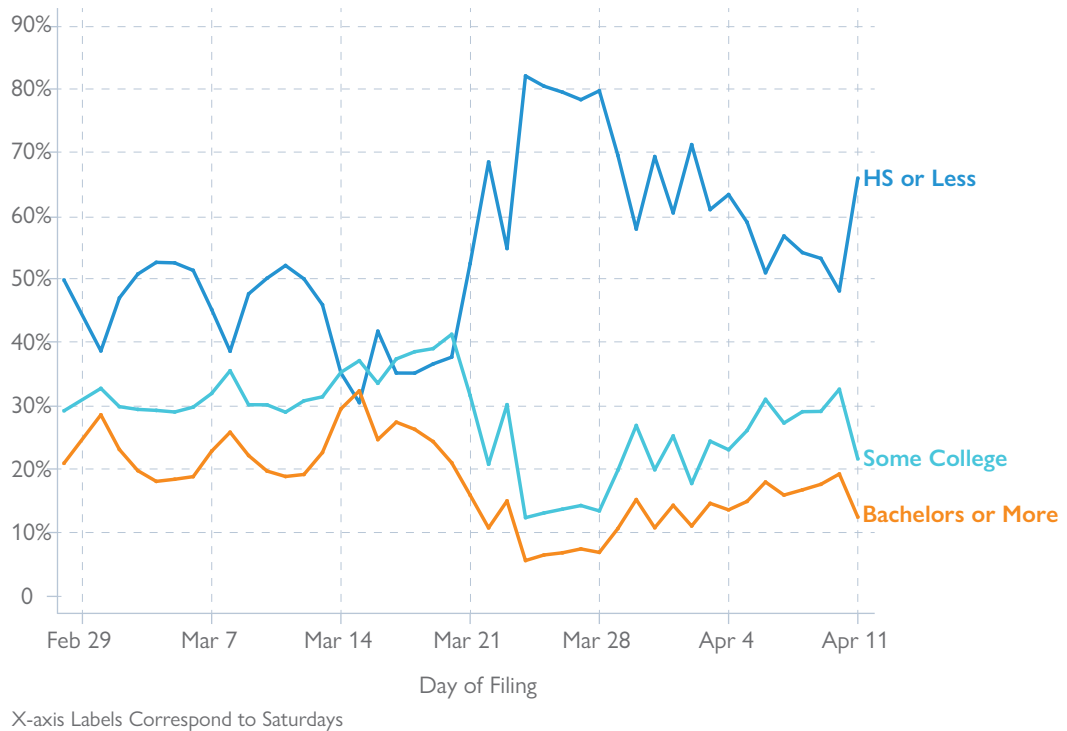


TABLE 4: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education

EDUCATION GROUP	WEEK ENDING MARCH 28TH	WEEK ENDING APRIL 4TH	WEEK ENDING APRIL 11TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Less Than High School Degree	55,592	78,988	70,648	224,372	2,160,616	10.4
High School Degree or GED	758,631	511,271	286,902	1,609,051	4,383,408	36.7
Associate’s Degree or Some College	161,127	205,796	185,670	621,885	5,242,214	11.9
Bachelor’s Degree	65,760	93,769	85,338	281,248	4,941,049	5.7
Graduate Degree	14,933	25,335	23,285	70,985	2,702,713	2.6
Column Total	1,056,043	915,159	651,843	2,807,541	19,430,000	14.4

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Column Total excludes claimants with unreported education level.

FIGURE 4: Percent of Claimants Reporting They Expect to be Recalled to Prior Job Before and After Start of COVID-19 Crisis in California in Mid-March

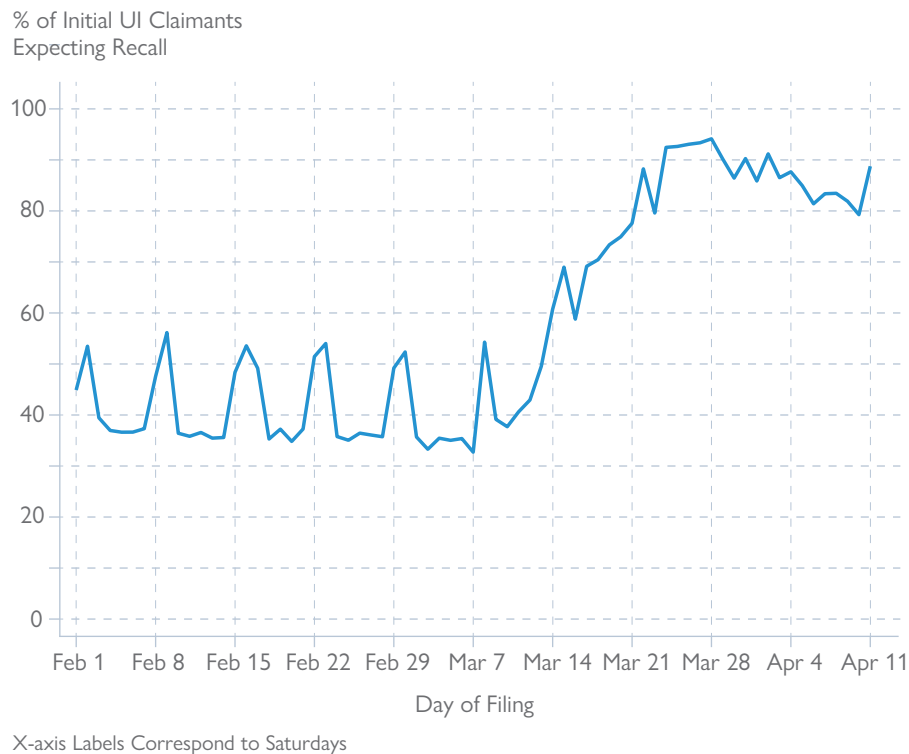


TABLE 5: Percent of Initial UI Claimants Expecting Recall and Receiving the Maximum Weekly Benefit Amount Before and After the Start of the COVID-19 Crisis in California

GROUP	PERCENT EXPECTING RECALL		PERCENT RECEIVING MAXIMUM WBA	
	FEB. AVERAGE	SINCE MARCH 15TH	FEB. AVERAGE	SINCE MARCH 15TH
Statewide	39.3	86.8	43.2	28.6
By Gender				
Female	33.3	87.4	30.0	22.0
Male	42.8	86.2	52.5	35.7
By Age Group				
16–19	32.4	91.3	2.7	0.8
20–24	33.5	89.0	14.2	7.8
25–34	34.7	88.1	36.9	28.9
35–44	36.8	87.5	50.2	39.1
45–54	41.3	87.6	52.5	38.4
55–64	44.1	87.6	51.0	36.0
65–85	50.1	88.8	38.9	26.9
By Education Group				
High School Degree or Less	46.5	92.3	33.1	25.0
Associate’s Deg. or Some College	33.8	78.1	44.4	30.5
Bachelor’s Degree or More	27.6	73.9	66.5	43.8

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file.

FIGURE 5A: Initial UI Claims by Five Most Impacted Industries During the COVID-19 Crisis in California, 2/29/2020–4/11/2020

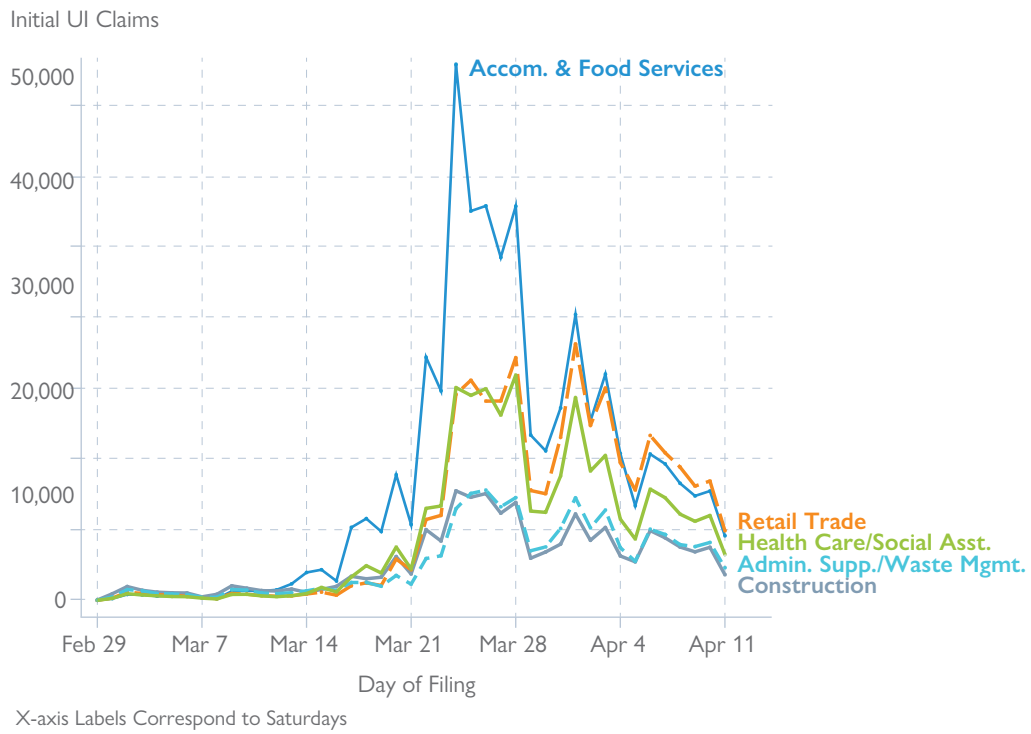


FIGURE 5B: Shares of Initial Claims by Major Industry in California, Before and After Start of COVID-19

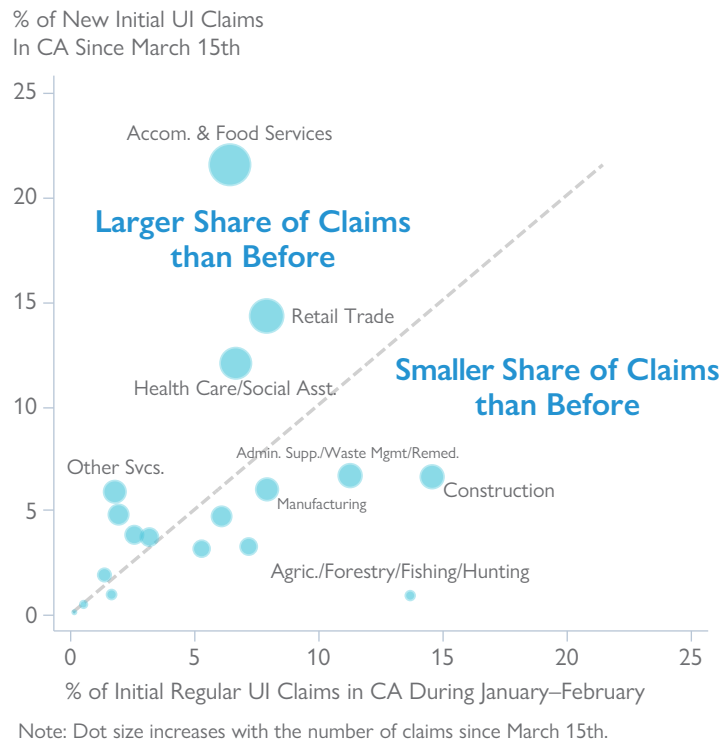


TABLE 6: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Major Industry

MAJOR INDUSTRY (2 DIGIT NAICS)	WEEK ENDING MARCH 28TH	WEEK ENDING APRIL 4TH	WEEK ENDING APRIL 11TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Accommodation and Food Services	239,911	128,589	73,851	487,716	1,724,000	28.3
Retail Trade	117,897	110,958	82,121	323,589	1,654,500	19.6
Health Care and Social Assistance	117,208	82,190	54,594	272,271	2,461,900	11.1
Admin. Support, Waste Mgmt. (a)	56,512	47,109	35,914	150,316	1,143,700	13.1
Construction	60,632	39,199	33,558	149,016	896,400	16.6
Manufacturing	53,842	42,588	31,387	135,380	1,318,500	10.3
Other Services	55,089	44,332	26,574	132,812	581,300	22.8
Arts, Entertainment, Recreation	46,812	30,377	21,308	108,001	332,500	32.5
Prof., Scientific, Techn. Services (a)	39,810	34,388	25,177	106,080	1,357,200	7.8
Education Services	36,029	23,820	16,444	86,063	393,100	21.9
Wholesale Trade	30,903	29,463	19,713	83,577	689,700	12.1
Information	27,056	20,831	15,939	73,318	586,600	12.5
Transportation, Warehousing, Utilities	22,922	23,525	18,317	70,983	718,300	9.9
Real Estate and Leasing	17,402	13,348	9,121	42,467	305,300	13.9
Finance and Insurance	7,623	7,208	5,200	21,210	544,100	3.9
Agriculture, Forestry, Fishing (a)	5,368	5,794	6,793	20,093	431,100	4.7
Management	3,446	3,523	3,009	10,477	252,900	4.1
Mining, Oil, Gas	589	576	742	2,002	22,800	8.8
Column Total	939,051	687,818	479,762	2,275,371	15,413,900	14.8

Notes: Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Industries sorted in descending order of total UI claims since March 15th. Tabulations based on initial UI claims file. Industry of main employer prior to layoff was obtained from the Quarterly Census of Employment and Wages according to North American Industrial Classification Systems (NAICS, see https://www.bls.gov/iag/tgs/iag_index_naics.htm). Column Total excludes NAICS Code 92 (Public Admin), Unclassified NAICS codes, and those with unreported NAICS codes.

(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

FIGURE 6A: Age Distribution of Initial Claimants During the COVID-19 Crisis in California vs. January–February 2020

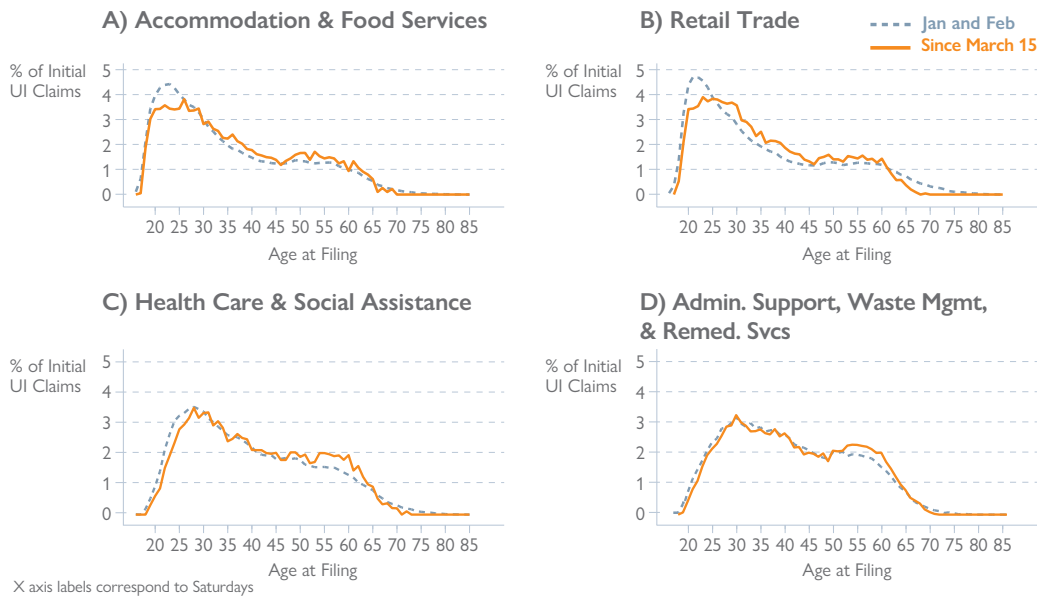


FIGURE 6B: Education Distribution of Initial Claimants During the COVID-19 Crisis in California vs. January–February 2020

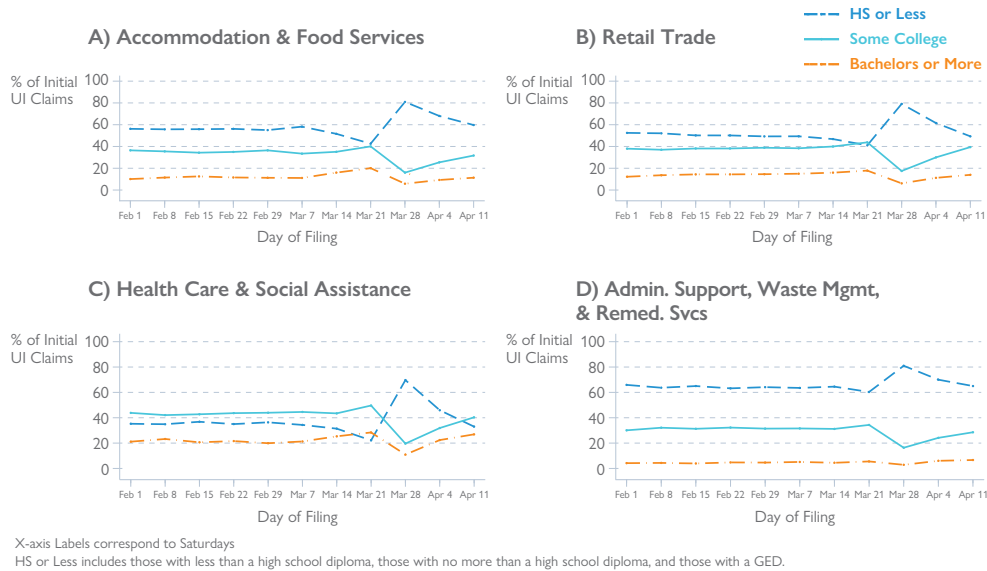


TABLE 7: Percent of Initial UI Claimants Expecting Recall and Receiving the Maximum Weekly Benefit Amount, By Major Industry Before and After the Start of the COVID-19 Crisis in California

MAJOR INDUSTRY (2 DIGIT NAICS)	PERCENT EXPECTING RECALL		PERCENT RECEIVING MAXIMUM WBA	
	FEBRUARY AVERAGE	SINCE MARCH 15TH	FEBRUARY AVERAGE	SINCE MARCH 15TH
Accommodation and Food Services	30.6	88.7	24.0	25.8
Retail Trade	17.7	85.5	22.2	26.4
Health Care and Social Assistance	18.5	86.4	31.0	36.7
Admin. Support, Waste Mgmt. (a)	32.5	81.2	28.8	26.9
Construction	56.4	84.4	73.5	69.0
Manufacturing	33.1	84.5	48.4	46.7
Other Services	21.2	87.8	34.5	20.7
Arts, Entertainment, Recreation	40.0	89.6	34.8	26.0
Prof., Scientific, Techn. Services (a)	23.8	79.0	67.1	50.5
Education Services	33.2	84.8	41.1	17.3
Wholesale Trade	19.7	81.9	52.1	46.0
Information	46.7	80.7	79.5	52.9
Transportation, Warehousing, Utilities	41.6	82.1	40.5	39.4
Real Estate and Leasing	19.2	83.5	50.3	43.9
Finance and Insurance	7.5	72.7	61.5	43.9
Agriculture, Forestry, Fishing (a)	80.4	86.8	17.1	19.8
Management	15.6	81.5	67.7	55.4
Mining, Oil, Gas	37.7	76.1	86.0	86.6

Notes: Industries listed in descending order of total claims as in Table 6. Industries sorted in descending order of total UI claims since March 15th. Table refers to information from initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Industry of main employer in base period (see text) according to North American Industrial Classification Systems (NAICS see https://www.bls.gov/iag/tgs/iag_index_naics.htm).

(a) Full Names of Sectors: Administrative Support, Waste Management, and Remediation. Agriculture, Forestry, Fishing, and Hunting. Professional, Scientific, and Technical Services.

FIGURE 7: Percent of Initial UI Claimants Receiving Maximum Weekly Benefit Amount Before and After Start of COVID-19 Crisis in California in Mid-March, 2/1/2020–4/11/2020

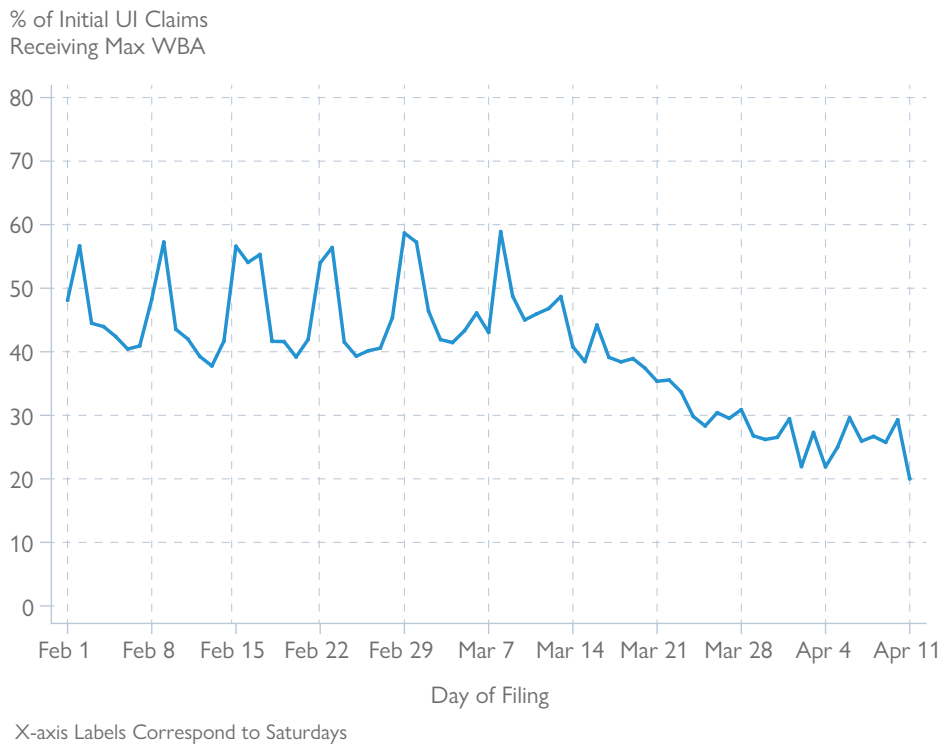


FIGURE 8: Growth in Initial UI Claims During the COVID-19 Crisis by Areas in California, 2/29/2020–4/11/2020

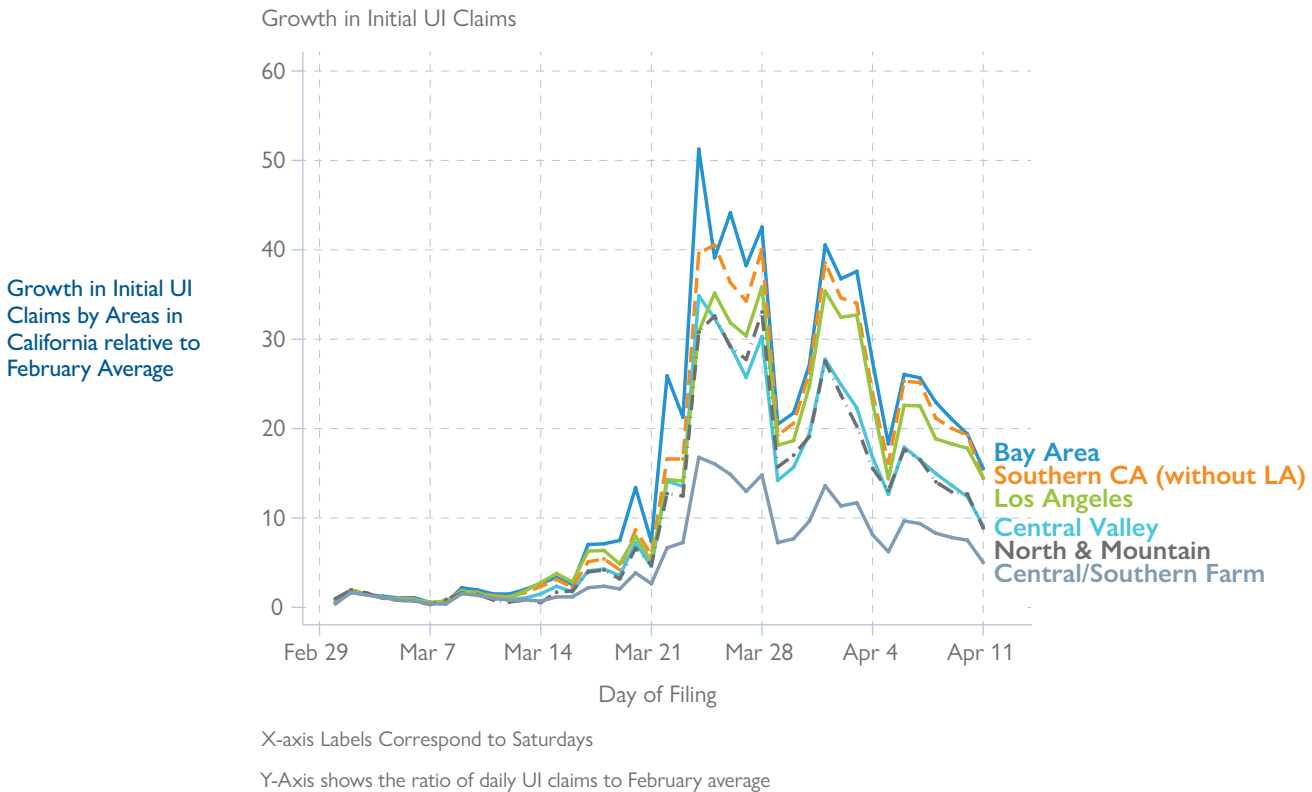


TABLE 8: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force in 20 Largest Counties

COUNTY	WEEK ENDING MARCH 28TH	WEEK ENDING APRIL 4TH	WEEK ENDING APRIL 11TH	TOTAL SINCE MARCH 15TH	WORKERS IN LABOR FORCE IN FEBRUARY	TOTAL CLAIMS AS % OF LABOR FORCE
Los Angeles	296,276	284,603	198,639	837,429	5,222,800	16.0
San Diego	101,794	82,567	56,493	258,132	1,577,600	16.4
Orange	89,701	89,344	63,545	254,883	1,623,900	15.7
Riverside	74,570	63,407	47,725	197,820	1,104,700	17.9
San Bernardino	56,564	49,822	37,993	153,347	969,700	15.8
Santa Clara	55,916	42,863	31,063	140,634	1,055,300	13.3
Alameda	50,472	42,243	30,200	132,370	840,400	15.8
Sacramento	44,359	34,725	24,064	110,108	714,800	15.4
Contra Costa	37,372	30,782	21,983	97,001	541,300	17.9
San Francisco	28,833	25,923	17,545	78,757	587,200	13.4
Ventura	27,820	23,604	16,631	72,247	424,700	17.0
San Mateo	25,606	23,489	15,683	69,686	462,900	15.1
San Joaquin	21,844	17,287	13,217	56,498	326,500	17.3
Fresno	21,583	16,460	12,601	54,472	454,000	12.0
Kern	18,593	15,537	12,650	49,579	395,800	12.5
Sonoma	20,907	14,779	10,057	48,671	258,500	18.8
Solano	17,373	12,236	8,923	41,497	208,500	19.9
Stanislaus	15,539	11,961	8,964	39,220	244,000	16.1
Monterey	14,129	9,760	7,368	33,700	217,100	15.5
Santa Barbara	11,163	9,613	6,302	28,711	215,500	13.3
Column Total	1,030,414	901,005	641,646	2,754,762	17,445,200	15.8

Notes: Counties listed in descending order of total claims. Claims refer to initial claims for regular unemployment insurance (UI) benefits among California residents. Tabulations based on initial UI claims file. Column Total excludes counties outside the top 20. A previous version of Table 8 in the pdf circulated before May 2nd had the dates in first 3 column headings shifted by one week.

The California Policy Lab builds better lives through data-driven policy. We are a project of the University of California, with sites at the Berkeley and Los Angeles campuses.

This research publication reflects the views of the authors and not necessarily the views of our funders, our staff, our advisory board, the California Employment Development Department or the Regents of the University of California.

Endnotes

- 1 This includes new claims, additional claims, and transitional claims. It excludes claims filed in CA by workers residing in a border state (but working in CA), and short-time compensation claims. When a claimant first files for UI benefits following a job loss they start a 52 week benefit year, a period during which their benefits (typically available for 26 weeks) are payable. A "new claim" is the first claim for a given benefit year. An "additional claim" is a second (or higher) claim filed during the same benefit year after a temporary return to work. A "transitional claim" is filed when a claimant is still collecting benefits at the end of their benefit year period and is eligible to begin a new one. As per the California Employment Development Department, see: https://www.edd.ca.gov/about_edd/Quick_Statistics_Information_by_County.htm (Accessed April 24th, 2020).
- 2 As per the U.S. Department of Labor Employment and Training Administration's report No. 539. Available at <https://oui.doleta.gov/unemploy/DataDownloads.asp> (accessed on April 24th 2020).
- 3 Labor force numbers by age and gender provided here: https://www.labormarketinfo.edd.ca.gov/specialreports/CA_Employment_Summary_Table.pdf
Labor Force numbers by county provided here: <https://www.labormarketinfo.edd.ca.gov/geography/lmi-by-county.html>.
- 4 The application rate to UI among the unemployed can be measured in surveys or inferred from data. In 2018, a survey found that only 26% among the unemployed in the U.S. applied for UI (<https://www.bls.gov/news.release/pdf/uisup.pdf>), largely because the unemployed thought they were not eligible. UI application rates may be higher in recessions, when fewer unemployed may expect to get jobs. At the peak of the Great Recession, the fraction of unemployed ultimately receiving UI benefits (the so-called "reciency rate") in the U.S. was 40%. The reciency rate is equal to the product of the application rate times the fraction of claims that are paid. Since past experience suggests 70% of UI claims ultimately receive benefits (either because they are not found to be eligible, get a job, or do not take up benefits for other reasons), a reciency rate of 40% implies an application rate of 57%. Since the reciency rate in CA is typically somewhat higher than the national rate, the application rate could be somewhat higher as well. If the unemployed applied for UI benefits at the same rate as the Great Recession during the COVID-19 crisis, the implied rise in the unemployment rate would be approximately 1.43 times the fraction of total initial claims among the labor force.
- 5 We obtained the labor force numbers for education groups by multiplying labor force education shares in California calculated from the Current Population Surveys with the total California labor force reported at <https://www.labormarketinfo.edd.ca.gov>.
- 6 We obtain industry by the North American Industry Classification System (NAICS) from the main employer in the worker's base period as recorded in the Quarterly Census of Employment and Wages (QCEW). The base period consists of the first four of the last five completed quarters as of the date of the claim. Since the QCEW is last available for the second calendar quarter of 2019, tabulations by industry are only available for firms that were active in the second quarter of 2019. We were able to link the vast majority of claims to a NAICS industry code in this way. It is important to note that the primary employer in a claimant's base period is not necessarily the claimant's last employer before the claim is filed.
- 7 The base period includes the first four of the last five completed calendar quarters as of the claim. The WBA is approximately equal to 50% of average weekly earnings during the highest earning quarter of that base period, up to the maximum of \$450. The exact cut off to earn the maximum WBA is \$898/week.
- 8 The data by county represents the mailing address given by the claimant at the time of filing for UI. It is possible that an individual can reside in a different county than their mailing address. Also, this information does not represent the county where the individual worked. It is also possible that a claimant could have moved or changed their mailing address after filing for UI which would not be reflected here. Data for claimants residing outside of California but collecting benefits are not included in these figures nor are invalid addresses in California where a county cannot be determined.
- 9 These economic regions are groups of county data. The county groupings are available upon request.
Errata: We made the following modifications with regards to the draft published online on April 29th. In Tables 5 and 7, we redefined February to refer to claims filed during the four weeks fully in February, ending February 8th-29th. The previous version of this report defined February as the five weeks ending February 1st - February 29th. Table 8 use the final estimates for labor force by county. The previous version of this report used EDD's preliminary estimates for the size of the labor force in each county.