



# 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."<sup>1</sup>

### 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

We gratefully acknowledge the Labor Market Information Division of the California Employment Development Department for their partnership in producing this analysis. This research was made possible through funding from Arnold Ventures, The James Irvine Foundation, the Smith Richardson Foundation, the Alfred P. Sloan Foundation, and from a Multicampus Research Programs and Initiatives award from the University of California Office of the President awarded to the California Policy Lab. We also thank the UCLA Social Science Division, the UCLA Vice Chancellor for Research and Creative Activities, and the California Center for Population Research for their support. All errors should be attributed to the authors.

## 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.<sup>2</sup>

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.<sup>3</sup> 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%.<sup>4</sup>

## 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.<sup>5</sup> 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.<sup>6</sup> 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.<sup>7</sup> 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.<sup>8</sup> 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.<sup>9</sup> 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:

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

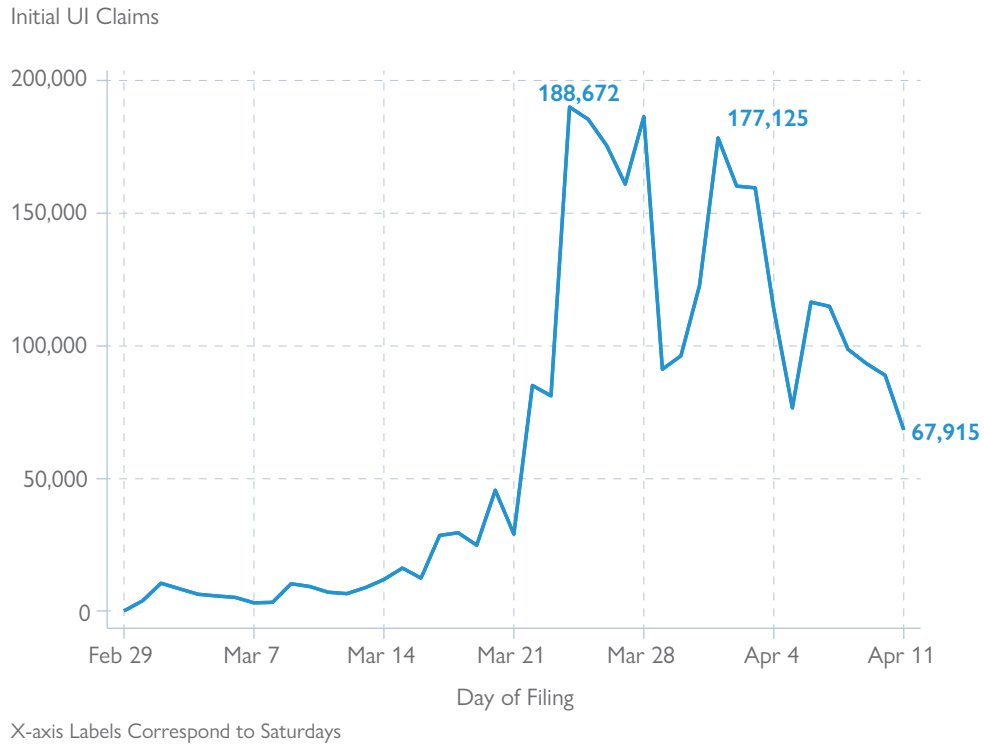


TABLE 1: Weekly Initial UI Claims During the COVID-19 Crisis in California, 1/11/2020–4/11/2020

| 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 |
|---------------------|------------------------|-----------------------|------------------------|------------------------|------------------------------------|----------------------------------|
| <b>Female</b>       | 565,651                | 475,611               | 329,548                | 1,466,521              | 8,824,000                          | 16.6                             |
| <b>Male</b>         | 490,149                | 437,709               | 320,604                | 1,338,051              | 10,605,000                         | 12.6                             |
| <b>Column Total</b> | 1,055,800              | 913,320               | 650,152                | 2,804,572              | 19,429,000                         | 14.4                             |
| <b>% Female</b>     | 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 |
|---------------------|------------------------|-----------------------|------------------------|------------------------|------------------------------------|----------------------------------|
| <b>16–19</b>        | 37,348                 | 29,141                | 20,435                 | 90,426                 | 531,000                            | 17.0                             |
| <b>20–24</b>        | 174,770                | 116,845               | 80,226                 | 396,396                | 1,741,000                          | 22.8                             |
| <b>25–34</b>        | 336,025                | 238,267               | 164,860                | 802,219                | 4,780,000                          | 16.8                             |
| <b>35–44</b>        | 194,211                | 177,994               | 125,906                | 535,813                | 4,303,000                          | 12.5                             |
| <b>45–54</b>        | 152,721                | 166,123               | 119,760                | 466,938                | 3,904,000                          | 12.0                             |
| <b>55–64</b>        | 121,628                | 137,950               | 101,942                | 383,303                | 3,019,000                          | 12.7                             |
| <b>65–85</b>        | 38,285                 | 45,667                | 35,236                 | 125,454                | 1,152,000                          | 10.9                             |
| <b>Column Total</b> | 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

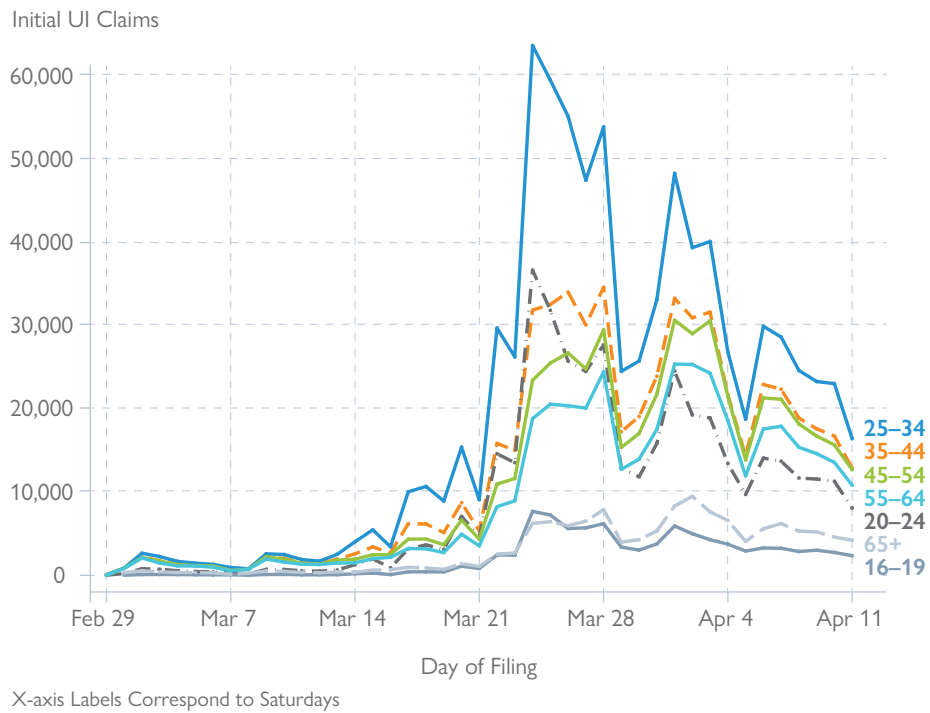


FIGURE 2B: Age Distribution of Initial UI Claims Since the Start of COVID-19 Crisis in Mid-March vs. Jan–Feb. 2020

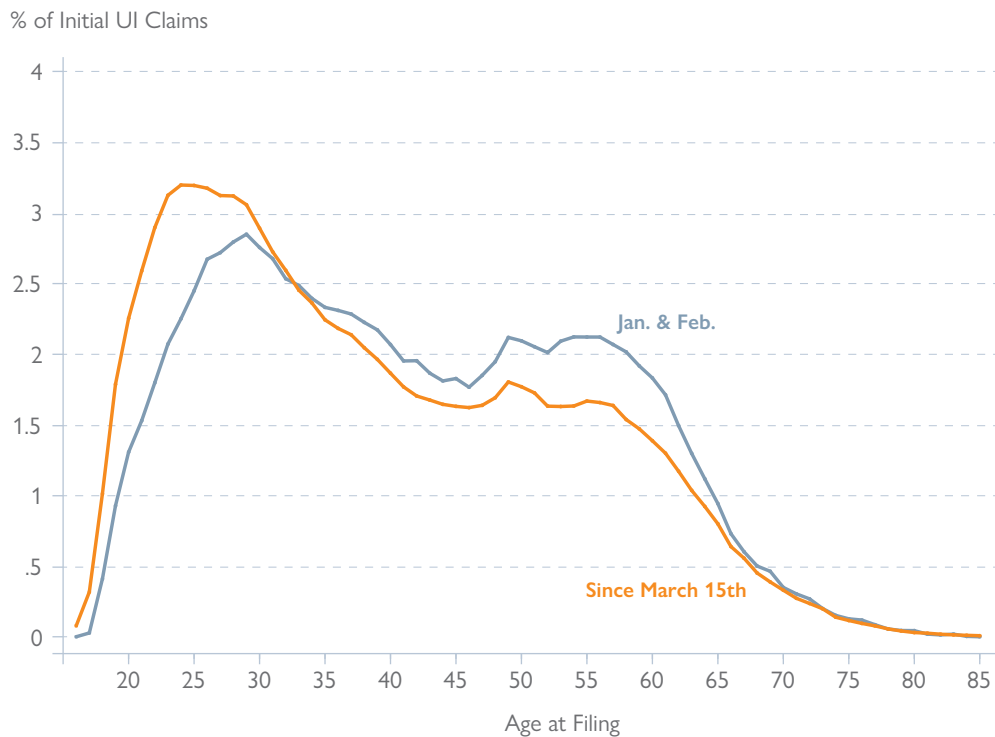




FIGURE 3A: Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–4/11/2020

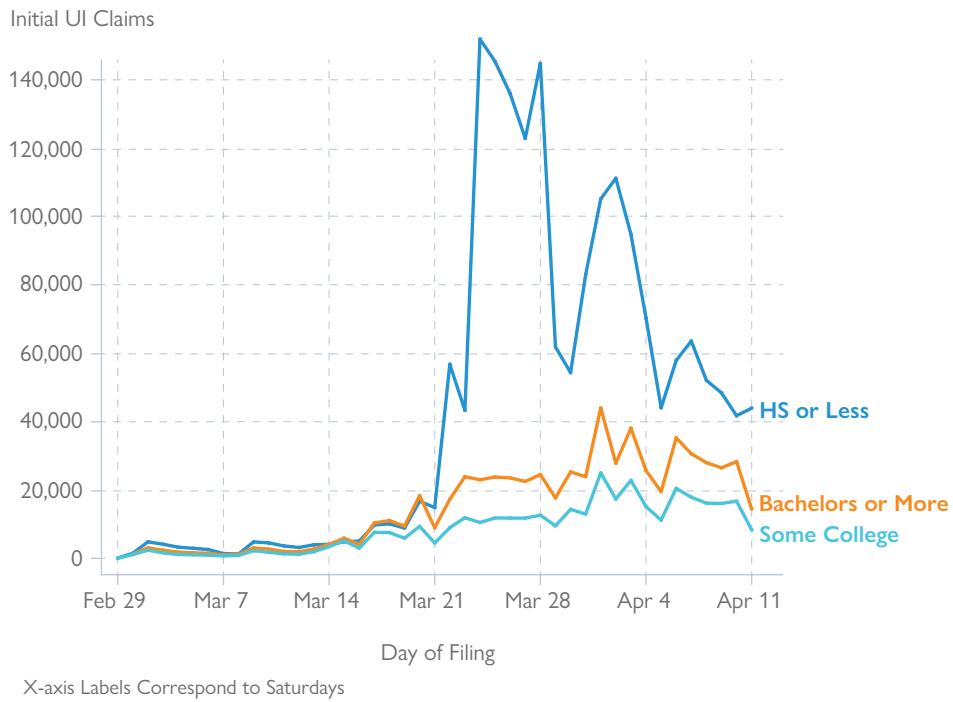


FIGURE 3B: Share of Initial UI Claims During the COVID-19 Crisis in California by Education Group, 2/29/2020–4/11/2020

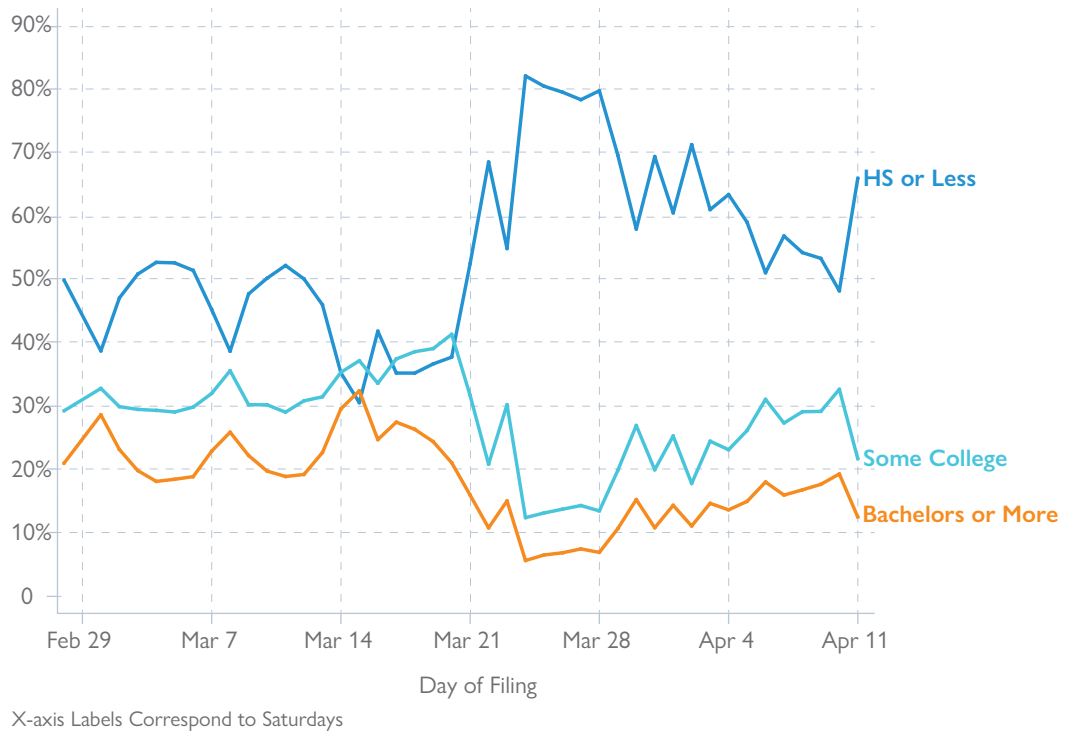


TABLE 4: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Education

| 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 |
|---|------------------------|-----------------------|------------------------|------------------------|------------------------------------|----------------------------------|
| <b>Less Than High School Degree</b>       | 55,592                 | 78,988                | 70,648                 | 224,372                | 2,160,616                          | 10.4                             |
| <b>High School Degree or GED</b>          | 758,631                | 511,271               | 286,902                | 1,609,051              | 4,383,408                          | 36.7                             |
| <b>Associate’s Degree or Some College</b> | 161,127                | 205,796               | 185,670                | 621,885                | 5,242,214                          | 11.9                             |
| <b>Bachelor’s Degree</b>                  | 65,760                 | 93,769                | 85,338                 | 281,248                | 4,941,049                          | 5.7                              |
| <b>Graduate Degree</b>                    | 14,933                 | 25,335                | 23,285                 | 70,985                 | 2,702,713                          | 2.6                              |
| <b>Column Total</b>                       | 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

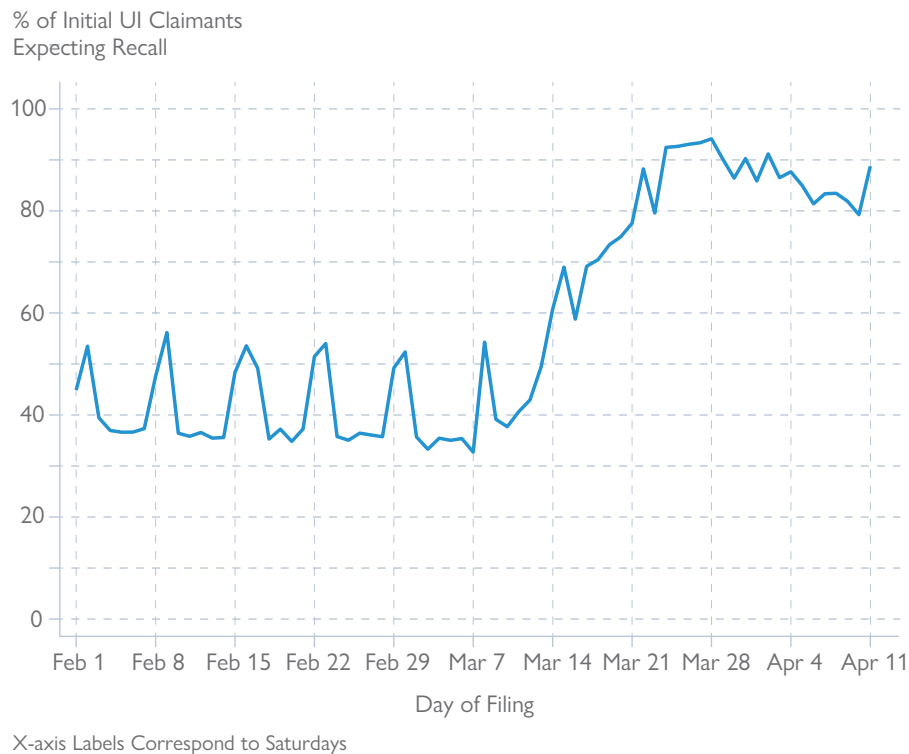


TABLE 5: Percent of Initial UI Claimants Expecting Recall and Receiving the Maximum Weekly Benefit Amount Before and After the Start of the COVID-19 Crisis in California

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

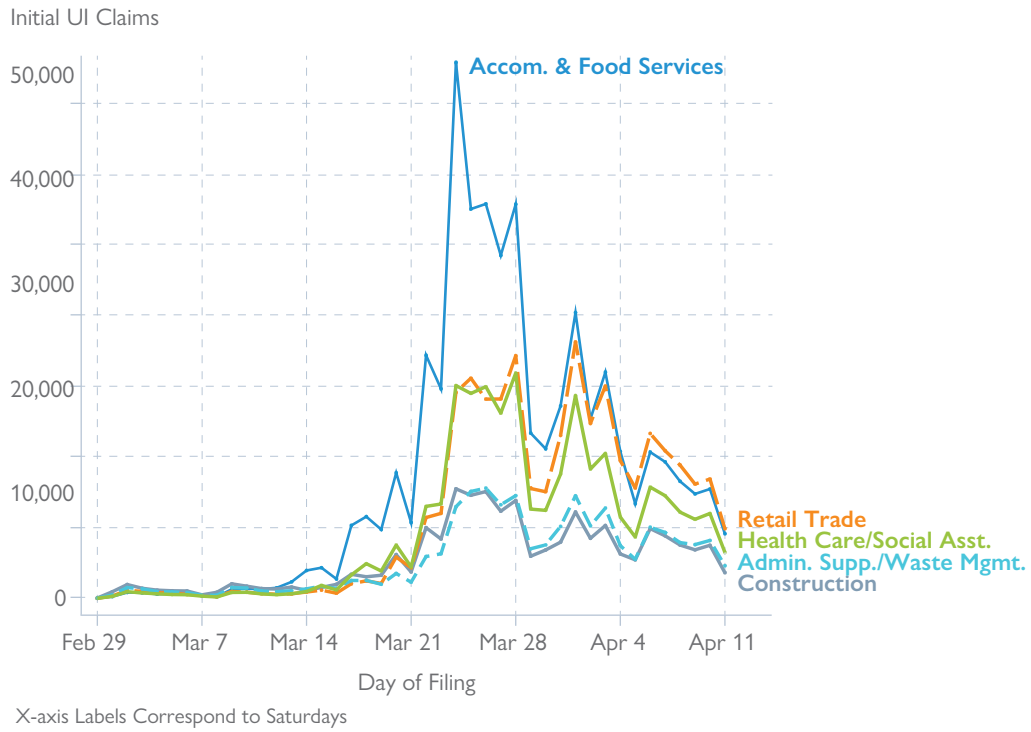


FIGURE 5B: Shares of Initial Claims by Major Industry in California, Before and After Start of COVID-19

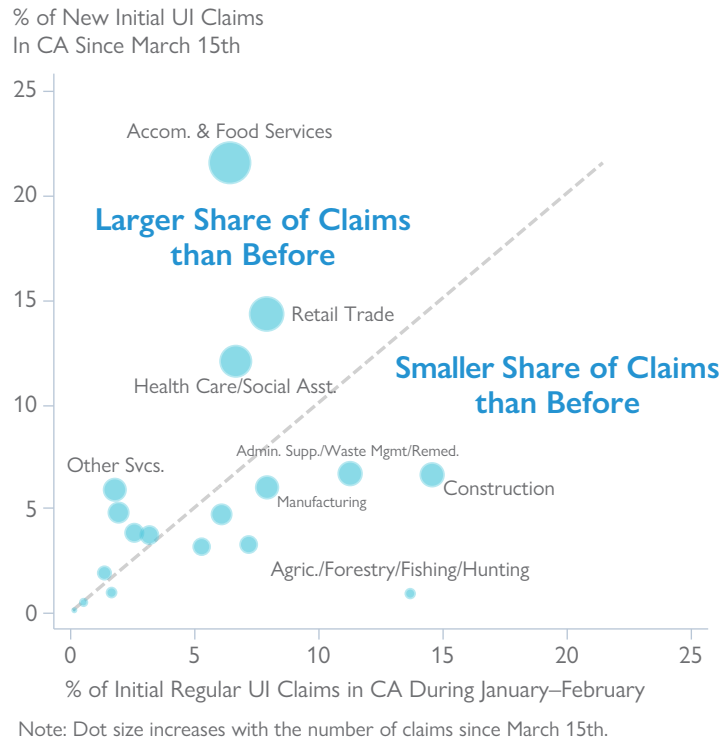


TABLE 6: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force by Major Industry

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

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](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

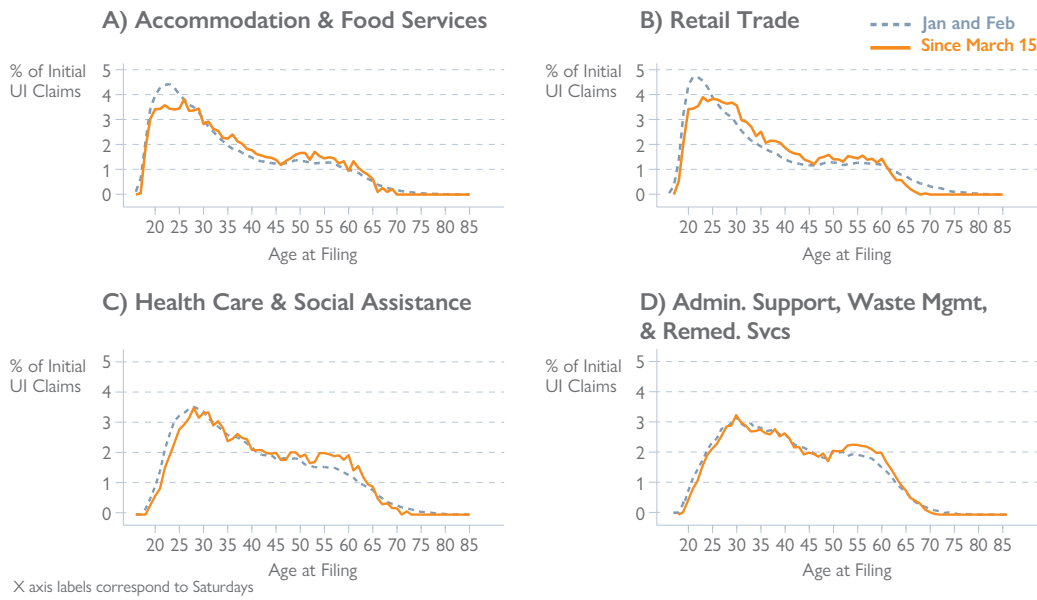


FIGURE 6B: Education Distribution of Initial Claimants During the COVID-19 Crisis in California vs. January–February 2020

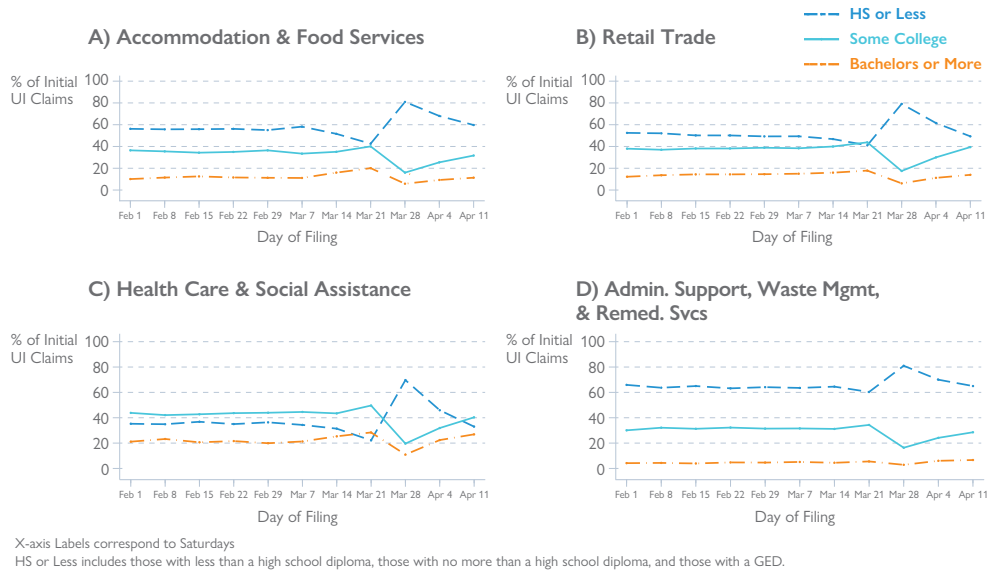


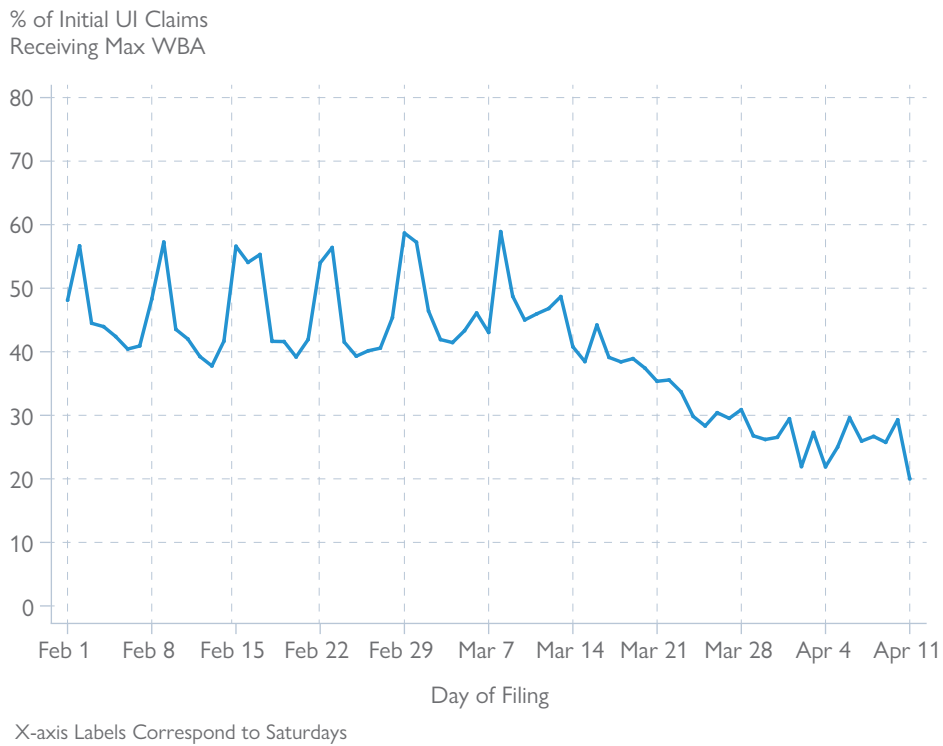
TABLE 7: Percent of Initial UI Claimants Expecting Recall and Receiving the Maximum Weekly Benefit Amount, By Major Industry Before and After the Start of the COVID-19 Crisis in California

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

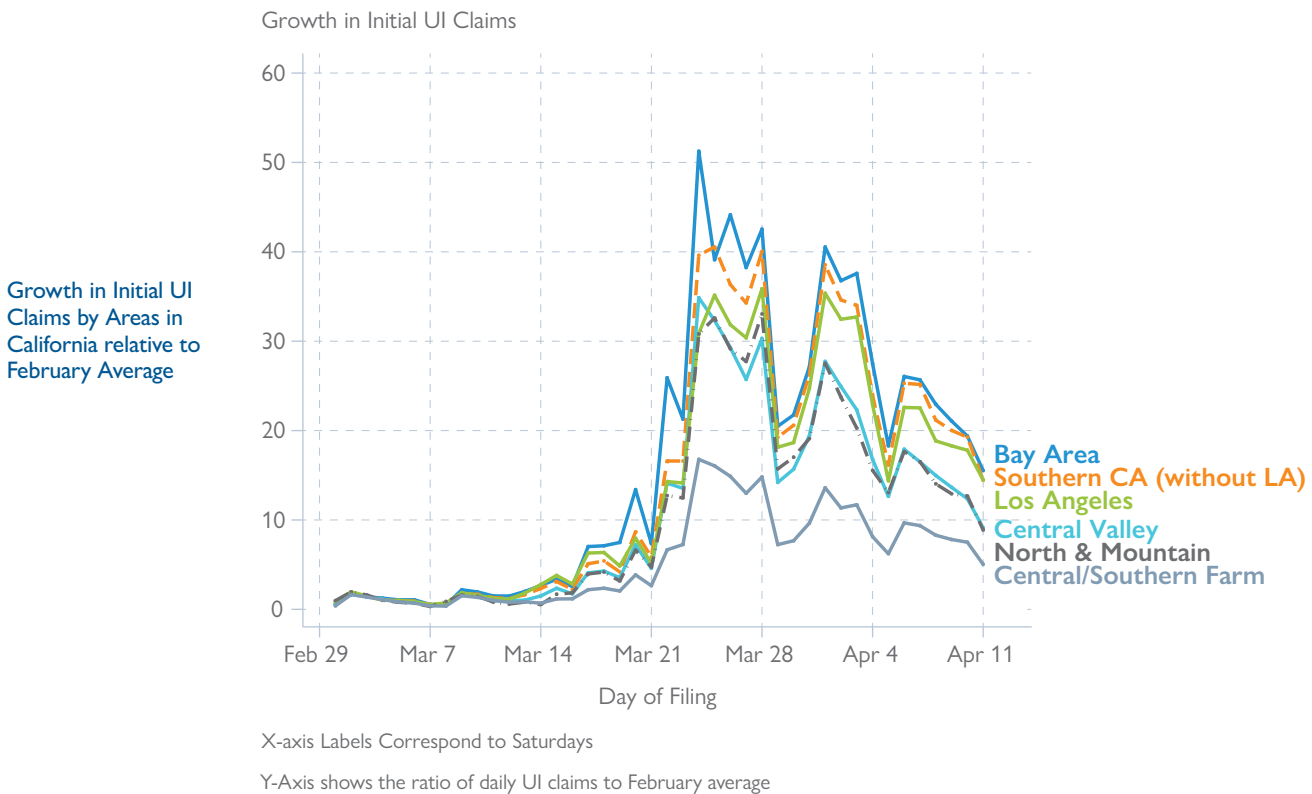




TABLE 8: Initial UI Claims During the COVID-19 Crisis and Total UI Claims as a Fraction of Labor Force in 20 Largest Counties

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

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*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](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](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.