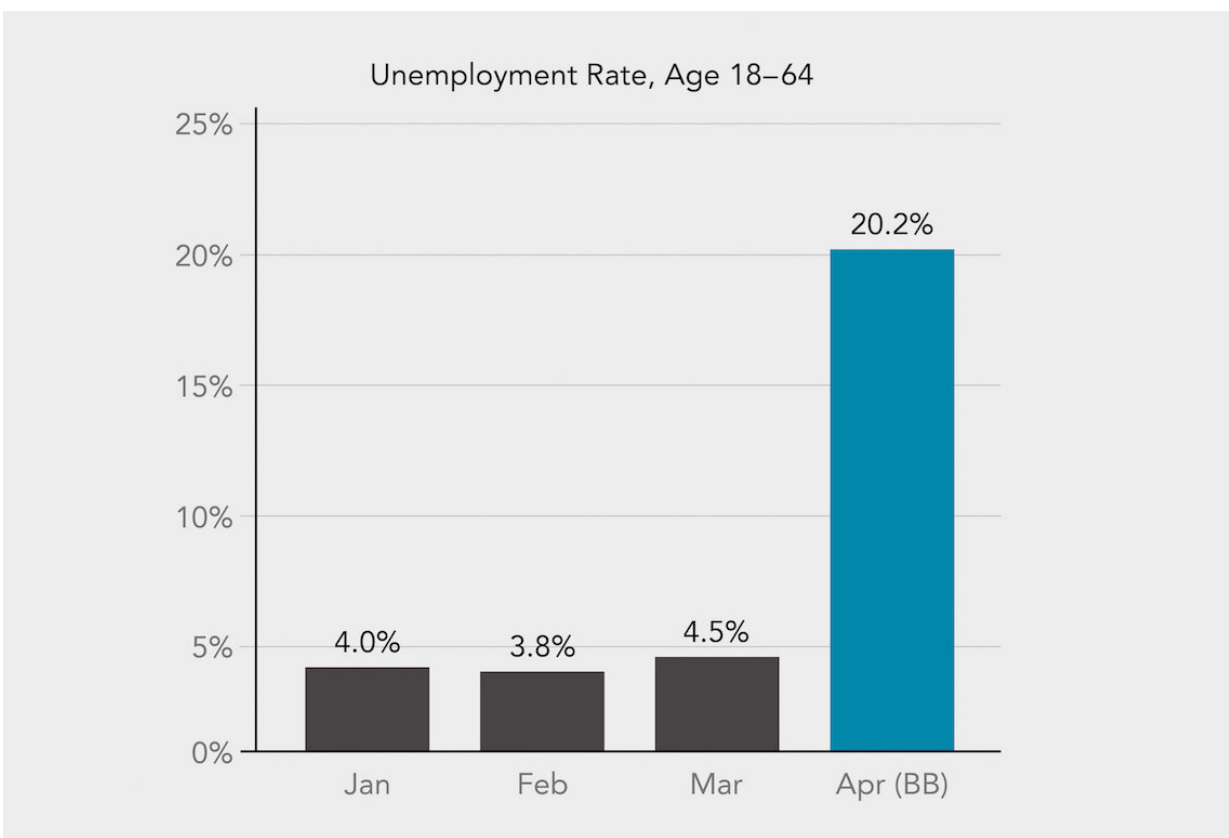


New survey: About 24 million jobs have been lost since last official unemployment report

April 20 2020, by Leila Ugincius



Given the stunning speed of the coronavirus outbreak and the corresponding economic downturn, policymakers and researchers are “flying blind” with regards to labor market data. Credit: Skye Shannon, VCU School of Business

The employment rate has fallen 12 percentage points in the past few weeks, according to a new survey conducted by economists from Virginia Commonwealth University and Arizona State University.

However, the most recent available numbers from the U.S. Bureau of Labor Statistics' Current Population Survey do not yet reflect this reality. Given the stunning speed of the COVID-19 outbreak and the corresponding [economic downturn](#), policymakers and researchers are "flying blind" with regards to labor market data.

"About 24 million jobs [have been] lost since the last labor market statistics were collected—an unheard of loss in any economic downturn since the Great Depression," said Adam Blandin, Ph.D., an assistant professor in the VCU School of Business.

U.S. labor market statistics are collected once a month and published with a three-week delay. In normal times, those statistics are timely enough to be useful. But these are not normal times. The most recent statistics refer to the week of March 8-14—before effects of the COVID-19 pandemic kicked in across the nation. In the meantime, the outbreak has shut down a substantial portion of the U.S. economy and new statistics will not be available until May 8.

This week, Blandin and Alexander Bick, Ph.D., an associate professor of economics at Arizona State University, released "[Real Time Labor Market Estimates During the 2020 Coronavirus Outbreak](#)," which summarizes the results of a new online survey of the U.S. labor market. The survey closely follows the methodology of the U.S. Bureau of Labor Statistics' Current Population Survey, which allows them to compute labor market estimates consistent with the government's measures.

"We're always going to be one to two months behind if we continue to rely on the traditional statistics," Blandin said. "And under normal times,

one to two months of a lag is no big deal, but the outbreak, and associated economic downturn, is moving so fast that policymakers are flying blind because they have very little idea of what's going on with the [labor market](#).

"The core part of our survey tries to very carefully replicate what the official surveys do, and to release it very quickly so that we have a much smaller information lag."

The researchers also include a suite of questions specifically tailored to the present economic situation—such as queries about child care and commuting practices—which are not asked by the Current Population Survey.

The first wave of the survey covers the week of March 29 to April 4. Among the key findings:

- The employment rate decreased from 72.7% to 60.7%, implying 24 million jobs lost.
- The [unemployment rate](#) increased from 4.5% to 20.2%.
- Hours worked per working-age adult declined 25% from the second week of March. Half of this decline is due to lower hours per employed as opposed to lower employment.
- More than 60% of [work hours](#) were from home, compared with roughly 10% in 2017-18.
- Those who still have their jobs are working fewer hours; 21% report a decline in earnings.
- Declines were most pronounced for workers who were female, older and less educated.

Blandin and Bick will conduct the next wave of the survey April 22, referencing the week of April 12-18, and release its results April 24.

Provided by Virginia Commonwealth University

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