

# One-third of jobs lost to COVID-19 were back online in May

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About one-third of U.S. workers who were laid off or absent from work in April because of COVID-19 were back to work in May, according to a new analysis of employment data.

Findings suggested that most returned to the same [jobs](#) they had before the pandemic.

The results show that as stunning as the [job losses](#) were in April because of the pandemic, the return of jobs is also happening quickly, said Wei Cheng, lead author of the study, who received her Ph.D. in economics from The Ohio State University.

"A lot of people who lost their job are getting back to work, and we have some evidence that they're going back to their original employers," said Cheng, who is now an assistant professor at the East China University of Science and Technology.

Cheng led a group of researchers who analyzed a variety of federal and private data sources to make sense of how the U.S. labor market reacted when states began reopening after COVID-19 shutdowns.

The study was published today (June 29, 2020) as a *National Bureau of Economic Research* working paper.

While the large percentage of people returning to work in May is encouraging, it is difficult to tell yet if the good news will continue, said study senior author Bruce Weinberg, a professor of economics at Ohio State.

"We have never had a situation like this where so many people have lost their jobs so suddenly and had them brought back so quickly," Weinberg said.

"We're still trying to understand how labor markets function in these unique conditions."

The researchers used data from a variety of sources, including the

federal Current Population Survey, unemployment insurance claims, job postings data from Burning Glass Technologies, Google searches about unemployment, and data from Google and Safegraph that showed mobile phone signal use at work locations.

While the available data could not show definitively whether newly reemployed people went back to their original [employer](#), it did show that more than 90 percent returned to their same industry and occupation, suggesting that they may well have gotten their old jobs back. Moreover, the uptick in employment came along with only a modest increase in job postings, hinting that most people were returning to previous jobs.

Many workers who were reemployed in May had jobs in April, again suggesting that employers were bringing back workers recently furloughed because of the pandemic.

"The people least likely to go back to work in May were those who had been unemployed the longest," Cheng said.

"Their chance of getting a job was lower this year than it was in the same period in 2019."

Weinberg said this initial labor market recovery will most benefit the recently laid off.

"Getting people back to work who still have some relationship with their employers can happen pretty quickly," he said.

"But for those who have lost connections to employers, that process is costly and time-consuming, and we won't see many of them getting jobs for a while."

It is tricky to get a clear picture of who lost their jobs because of the

pandemic and who got them back, the researchers said.

Federal statistics separate those who are not working into two groups: One group is the "employed but absent" ([government employees](#) on furlough, for example, or employees who choose not to work temporarily) and the other consists of people who were laid off by their employers.

There was some confusion with the federal survey about which employee group should include workers who had temporarily lost jobs because of the pandemic, Weinberg said.

Of the employed-but-absent group, more than 90 percent appeared to get their same jobs back. Of those who were laid off and got jobs in May, about half ended up in the same industry and occupation.

Not everyone who lost their jobs because of the pandemic had equal chances of being rehired, the study showed.

Among those unemployed or employed-but-absent, essential workers were 6 percentage points more likely to be reemployed than their nonessential counterparts in 2020. Workers in occupations that require more face-to-face contact were less likely to be reemployed, while those in occupations that allow for remote work were more likely to be reemployed in 2020.

The probability of being reemployed was greatest for those in their prime working years, peaking between ages 41 and 50, and decreasing for younger and older workers.

Results showed that employers started rehiring workers a few days before their states officially opened back up, presumably to get businesses ready for customers, according to the study.

Weinberg said the churn in the labor market found in this study is likely not over.

"There is a strong possibility that we will be going through some form of closures and re-openings over the next six months to a year or more," he said.

"The impact on workers is an issue that we're going to have to continue to study and try to understand."

**More information:** Cheng et al., Back to Business and (Re)employing Workers? Labor Market Activity During State COVID-19 Reopenings, *National Bureau of Economic Research* (2020). [DOI: 10.3386/w27419](https://doi.org/10.3386/w27419)

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