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Unemployment insurance claims in New England across the COVID-19 pandemic: Updates through June 2021

Kremena Ivanov, Marybeth J. Mattingly, and Robert Clifford

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Abstract

In 2020, we released a brief examining unemployment insurance (UI) claims rates across New England amid the COVID-19 pandemic and related recession. We analyzed the monthly UI claimant rates[1] using information about the demographics of continuing unemployment claimants. As the pandemic evolves and persists, we have taken a close look at what has happened since the summer of 2020 and introduce a new tool for tracking UI claims through economic recovery. Our findings suggest that despite recovery across many industries, UI claims rates remain higher than rates seen before the onset of the COVID-19 crisis. However, widespread gender disparities previously observed have largely abated, with women now only slightly more often claiming UI than men. Nevertheless, disparities across ethnicity persist, with Hispanics/Latinos still much more likely than non-Hispanics/Latinos to be claiming UI. These findings point to the uneven economic recovery and show that though UI claims have started to return to lower levels, as of June 2021, we had not reached prepandemic levels.

Key Findings

- Continuing UI claims rates spiked across the region in late spring and early summer 2020 (1,193,423 total claims in May 2020). Since then, they have declined dramatically but remain higher than prepandemic levels (348,413 claims in June 2021 vs. 107,234 claims in June 2019).
- Massachusetts saw the highest continuing claims rates, driven in part by high rates in hardest-hit industries like other services[2] (rate of 19 percent), accommodation and food services (13 percent), transportation and warehousing (11 percent), and administrative and support and waste management and remediation services (12 percent).
- Gender disparities in continuing UI claims have largely narrowed along with the decrease in the number of continuing claims as a share of the workforce. While in June 2020 the gap between UI claims rates of men and women was over 4 percentage points (14 percent vs. 19 percent) for the New England region, in June 2021 it fell to under half a percentage point (both rates below 5 percent).
- As of June 2021, Hispanic/Latino workers continue to have higher continuing claims rates in the states reporting ethnicity: Connecticut (5 percent), Massachusetts (12 percent), and New Hampshire (3 percent). However, gaps

[1] We calculate the monthly UI claims rates as the estimated share of the insured workforce covered by unemployment insurance that continued to claim benefits during the week including the 19th of the month, as reported by the Employment and Training Administration, divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data.

[2] Under the North American Industry Classification System, the "other services (except public administration)" sector comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities such as equipment and machinery repairing, promoting or administering religious activities, grantmaking, advocacy, and providing dry cleaning and laundry services, personal care services, death care services, pet care services, photofinishing services, temporary parking services, and dating services (U.S. Bureau of Labor Statistics, n.d.-a).

between Hispanic/Latino and non-Hispanic/Latino workers have narrowed dramatically in New Hampshire (2 percentage points) and Connecticut (1 percentage point).

- In all New England states, younger workers (under age 25) had lower continuing UI claims rates than the rest of the workforce in June 2021. Among this group, the highest claims rates were in Connecticut, Maine, and Vermont.
- Older workers (over age 55) had the highest continuing claims rates in Massachusetts, New Hampshire, and Rhode Island.

Introduction

For many who are fully vaccinated, the pandemic seemed, at least for a brief period in early summer 2021, to be ending. With changed CDC guidelines, they enjoyed indoor gatherings and dining, and visiting again with family and friends. Much of that changed with the surge of the Delta and Omicron variants; unemployment is still not back to prepandemic levels and is especially pronounced among some groups.

Yet headlines abound about the shortage of workers across New England—with industries like retail and food service particularly hard hit—illuminating the persistence of the COVID-19 pandemic and emphasizing how difficult it may be to attract workers back to low-wage jobs, many of which have few benefits and expose workers to potential COVID-19 health risks. Broad statistics suggest that nationwide unemployment remains at a pandemic low (3.6 percent in March 2022[3]). However, unemployment rates and UI claims do not necessarily track closely.

UI claims rates offer a unique window into unemployment, showing the pool of workers receiving at least some financial support while they are out of a job. While traditionally those people needed to be seeking work in order to continue receiving benefits, Coronavirus Aid, Relief, and Economic Security (CARES) Act provisions made it possible for them to retain benefits for COVID reasons, including child-care and health concerns. Thus, the UI claims analyzed in this brief capture a somewhat different population than traditional unemployment measures, which focus on those unemployed but actively looking for work and may illuminate trends in populations displaced from the workforce.

In addition to the analyses in this brief, presenting patterns through June 2021, we introduce an interactive tool to track unemployment insurance claims across the region throughout the pandemic and beyond. This tool will be especially useful for comparing UI claims and unemployment rates as states stopped offering a $300 supplement in fall 2021.

[3] See https://www.bls.gov/charts/employment-situation/civilian-unemployment-rate.htm. Unemployment rate

Key Terms: Initial and Continuing Claims, Number of Insured Workers, and Unemployment Insurance Claims Rate

Initial claim and *continuing claim*: "An initial claim is a claim filed by an unemployed individual after a separation from an employer. The claimant requests a determination of basic eligibility for the UI program. A person who has already filed an initial claim and who has experienced a week of unemployment then files a continued claim to claim benefits for that week of unemployment. Continued claims are also referred to as insured unemployment. The count of U.S. continued weeks claimed is also a good indicator of labor market conditions. Continued claims reflect the current number of insured unemployed workers filing for an additional week of UI benefits in the nation" (U.S. Department of Labor, 2020).

Number of insured workers: The number of insured workers is the number of workers in jobs covered by unemployment insurance (covered employment) as reported by employers to states. The qualifications vary by state but typically exclude self-employed and contract workers.

Unemployment insurance claims rate: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration, divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. We use only the number of continuing claims to calculate the analyzed rates. Initial claims data on gender, age, ethnicity, race, and industry are not available. Also, the initial claims are not always deemed eligible, so that not all initial claims result in payment of benefits. Though initial claims provide a good measure of demand for unemployment assistance, they don't show the prolonged effect of the large rise in furloughed and laid-off workers, nor do they adequately capture those who are not working for other reasons related to COVID-19, such as lack of child care due to long school and child-care closures. For this reason, continuing claims are used to measure UI claims rates.

Note that declines in claims could happen for a variety of reasons distinct from shifts in the unemployment rate; for example, claimants may stop looking for work or exhaust their benefits.

In fall 2020, we released a brief on UI claims during the initial months of the pandemic (Clifford & Mattingly). Within 10 weeks, initial UI claims exceeded the number filed across the entire Great Recession. New England states were particularly hard hit, with disproportional filing by women, young people, and, to the extent data permit,

Hispanics/Latinos.[4] Industries hardest hit in the region, as classified under the North American Industry Classification System, include accommodation and food services, transportation and warehousing, and other services (largely household personal services). As the pandemic and related recession has worn on, unemployment has been a constant topic of media coverage and economic discourse more broadly. UI claims offer a distinct window into those displaced from work and may expose different demographic patterns than traditional unemployment statistics, which can help inform policy decisions for disadvantaged workers.

In this brief, we update our earlier work by showing monthly continuing UI rates by industry, gender, age, and race/ethnicity through June 2021. As of June 2021, 67 weeks into the pandemic, 85.3 million initial claims had been filed (from the week ending March 14, 2020, to the week ending July 4, 2021), about 1.3 times the total filed in the three previous recessions combined. Here, we take a closer look at the persistence of high unemployment insurance claims across the pandemic, through peaks and troughs in COVID cases and as many states have broadly reopened for business. We use data from June 2019 through June 2021 to better understand the toll on employment by highlighting the UI claims rate—that is, the total number of continuing claims in a given month divided by the insured workforce.[5] Our analyses provide a month-by-month snapshot not only of what is unfolding across the New England states but also of how UI claims rates differ across industry and key demographic characteristics. To do this, we use monthly continuing UI claims data so that we can provide details available in the monthly data but unavailable in weekly data and because we are interested in broad trends over time. Additionally, we introduce an interactive tool for tracking and monitoring unemployment insurance claims across the nation, region, and each New England state overall and by gender, age, race, ethnicity, and industry. This tool will permit users to monitor trends as policies change, health conditions evolve, and new economies unfold.

Overall Trends

When much of the American economy shut down in April 2020, the national share of the insured workforce continuing to receive unemployment insurance benefits—the UI claims rate—skyrocketed to 14.4 percent from 1.9 percent a month earlier, as shown in Figure 1. The rate peaked at 14.9 percent in May 2020, and it has been slowly decreasing since then. Over the summer of 2020, the national UI claims rate gradually fell from 13.7 percent in June 2020 to 9.6 percent in September 2020. As the nation's health and economy continued to improve, the rate kept its downward trend, reaching 2.6 percent in

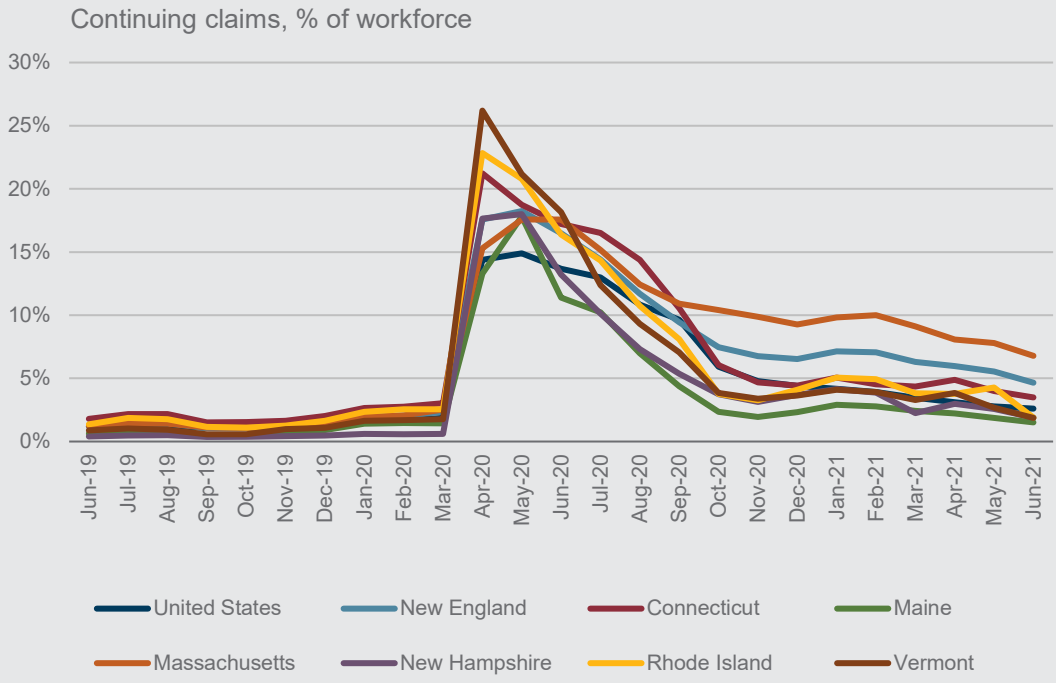
[4] Not all New England states report reliable data on claimant ethnicity. Maine, Rhode Island, and Vermont reported some claimant ethnicity data, but for 10 percent or more of the claimants, ethnicity information was missing. On the national level, for 10 percent or more of claimants, ethnicity information was missing as well. Ethnicity information was missing for 10 percent or more of the aggregated New England claimant data from April 2020 to June 2020 and for 10 percent or more of New Hampshire claimant data before January 2020.
[5] For a fuller description of the different ways of assessing unemployment and differences between the unemployment rate and the UI claims rate, see Clifford & Mattingly, 2020.

June 2021. However, the national rate remained twice as high as its June 2019 level of 1.2 percent.[6]

All New England states followed a UI claims rate pattern similar to the national one. While rates in Vermont, Rhode Island, and Connecticut were highest in the region in April 2020—reaching 26.2 percent, 22.8 percent, and 21.2 percent, respectively—Maine, Massachusetts, and New Hampshire hit record rates in May 2020, at 17.8 percent, 17.6 percent, and 18 percent, respectively. Notably, each state in the region had a rate exceeding the peak national average (14.9 percent in May 2020). Over the next year, the UI claims rates in the New England states dramatically decreased. In June 2021, the rates in all states except Massachusetts and Connecticut were under 2 percent—a positive development from the improving health and economic conditions. However, the rate for Connecticut was about twice as high, reaching 3.5 percent, and the rate for Massachusetts was the highest in the region, at 6.8 percent. All New England states had rates higher in June 2021 than in June 2019, and as the coronavirus mutates, it is unclear when rates will return to prepandemic levels.

Figure 1. UI Claims Rate as a Share of the Workforce

United States and New England



Note: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration (ETA), divided by an

[6] See "A New Tool for Tracking and Monitoring UI Claims," page 14.

estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. The workforce data is available through Q2 2020, and the Federal Reserve Bank of Boston produced a forecast to estimate the size of the workforce for June 2021.

Source: Federal Reserve Bank of Boston analysis of U.S. Department of Labor ETA 203 report data on characteristics of the unemployed and U.S. Census Bureau Quarterly Workforce Indicators data from June 2019 to June 2021.

Industry

The accommodation and food services industry was the one of the hardest hit during the first months of the pandemic.[7] The continuing UI claims rates in this industry hit their highest point during late spring and summer 2020 (out of the total analyzed period of June 2019–June 2021) in the five New England states with reliable data by industry (all except New Hampshire).[8] The Maine UI claims rate in this industry peaked in May 2020 at 49.3 percent, with the industry comprising 7.6 percent of the state's workforce. The UI claims rate in Vermont for the same month was a staggering 90.3 percent, with the accommodation and food services industry comprising 7.1 percent of the state's workforce. Underlying the extremely high rate in Vermont are the combined effects of seasonal employment in the state and the significantly lower number of employed people in the first half of 2020 than in 2019. While this trend is not unique to Vermont and is also apparent in the other New England states, Vermont saw the largest workforce decline in this industry between December 2019 and March 2020: 41.5 percent. By contrast, the accommodation and food services workforce in the other states that report reliable UI claimant information by industry declined by between 27.0 percent (Maine) and 34.3 percent (Massachusetts).[9] However, the exceptionally high UI claims rate in Vermont should be analyzed with caution. Vermont is the smallest state in New England, in terms of workforce, so while it is likely that the accommodation and food services industry experienced a very high UI claims rate in the state, the measure may be slightly distorted by seasonal employment swings, the timing of UI claim data collection, and the margin of error associated with estimating the workforce for a small industry in a small state.

The highest UI rates for accommodation and food services in Connecticut and Rhode Island were reported in April 2020 at 68.5 percent (6.2 percent of the state's workforce) and 62.6 percent (8.5 percent of the state's workforce), respectively. The Massachusetts rate for this industry was highest in June 2020, at 55.1 percent (6.0 percent of the state's workforce).

By June 2021, more than a year after the peak UI claims rates for the accommodation and food services industry, rates had fallen in all New England states to figures ranging from 2.1 percent in Maine (10.8 percent of the state's workforce) to 13.1 percent in

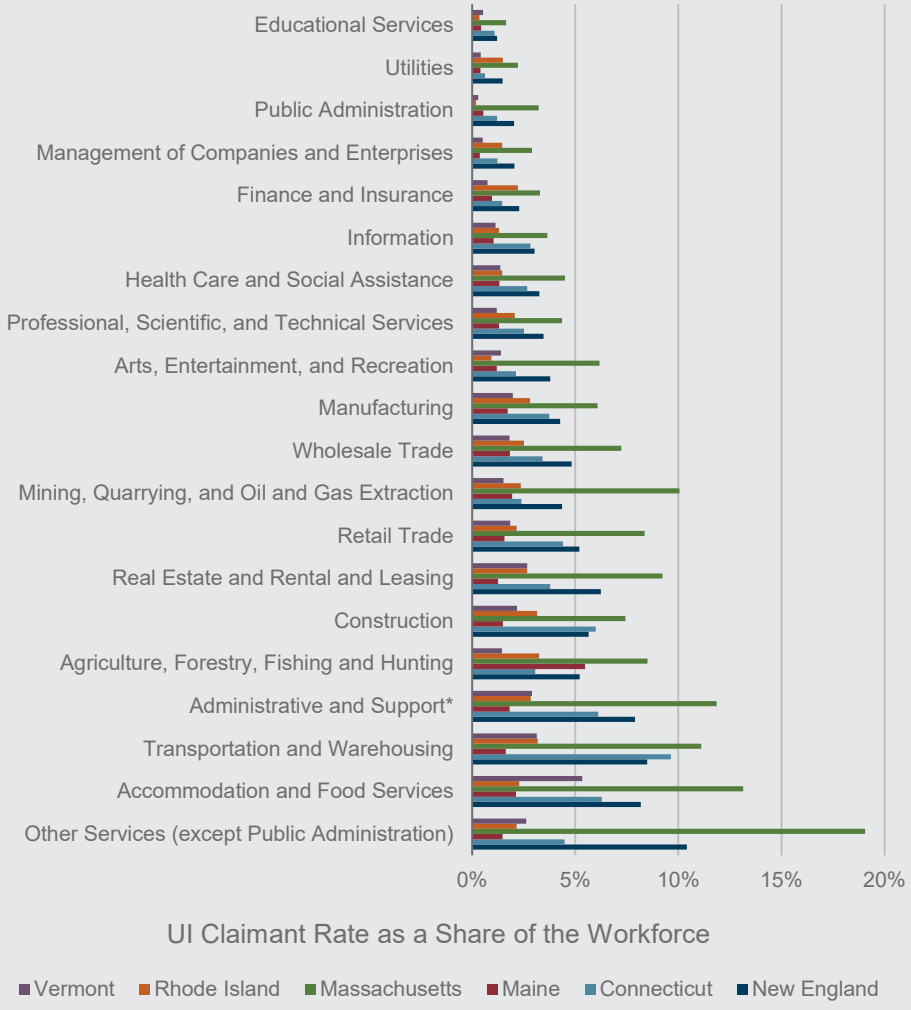
[7] See "A New Tool for Tracking and Monitoring UI Claims," page 14.

[8] New Hampshire provided some claimant industry information, but for 30 percent or more of claimants, industry information was not available, and national claimant industry information for 10 percent or more of claimants has not been provided since February 2020.

[9] See "A New Tool for Tracking and Monitoring UI Claims," page 14.

Massachusetts (8.4 percent of the state's workforce) (Figure 2), though each state reported higher UI claims rates than they did in June 2019.[10]

Figure 2. UI Claims Rate as a Share of the Workforce by Industry, June 2021



Note: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration (ETA), divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. The workforce data is

[10] All June 2019 rates were under 2.5 percent, with Massachusetts the lowest, at 1.4 percent.

available through Q2 2020, and the Federal Reserve Bank of Boston produced a forecast to estimate the size of the workforce for June 2021.

New Hampshire did not provide industry information for 30 percent of claimants.

Source: Federal Reserve Bank of Boston analysis of U.S. Department of Labor ETA 203 report data on characteristics of the unemployed and U.S. Census Bureau Quarterly Workforce Indicators.

Some of the other industries hard hit in the early pandemic months were arts, entertainment, and recreation, and other services (except public administration). In April 2020, the UI claims rates for arts, entertainment, and recreation ranged from around 27.0 percent in Maine to over 61.2 percent in Rhode Island, while those for other services ranged from 21.4 percent in Maine to 45.9 percent in Connecticut. Yet these industries represent a generally smaller share of the workforce in the New England region (less than 3.3 percent for other services, and less than 2.4 percent for arts, entertainment, and recreation in June 2021). Additionally, June 2021 figures for both industries were much lower, with all states except Massachusetts having UI claims rates under 5 percent for the other services sector and rates under 2.2 percent for arts, entertainment, and recreation. In Massachusetts, the UI claims rate remained relatively high at 19.1 percent for other services (2.9 percent of the state's workforce) and 6.2 percent for arts, entertainment, and recreation (2.2 percent of the state's workforce).[11]

There are only a few instances across New England where UI claims rates by industry were lower in June 2021 than in June 2019: the public administration sector in Rhode Island (4.3 percent of the state's workforce), and the public administration and utilities sectors in Vermont (5 percent and 0.6 percent of the state's workforce, respectively).[12]

When the pandemic started, in spring 2020, some industries—including agriculture; forestry; fishing and hunting; and mining, quarrying, and oil and gas extraction—were not severely affected in every New England state. However, those industries experienced higher unemployment later in 2020 and at the beginning of 2021.[13] Note, however, that these industries represent only a small share of New England workers. The transportation and warehousing sector in the New England states started to return to one-digit UI claims rates in 2021, with the industry accounting for roughly 3.0 percent of the workforce in the region.

The broad picture painted across industries is one of significant impact due to the COVID-19 pandemic and related recession but also of dramatic recovery. Nevertheless, states have not reached prepandemic UI claims levels.

[11] June 2019 UI claims rates for Massachusetts were 2.1 percent for other services and 0.7 percent for arts, entertainment, and recreation.

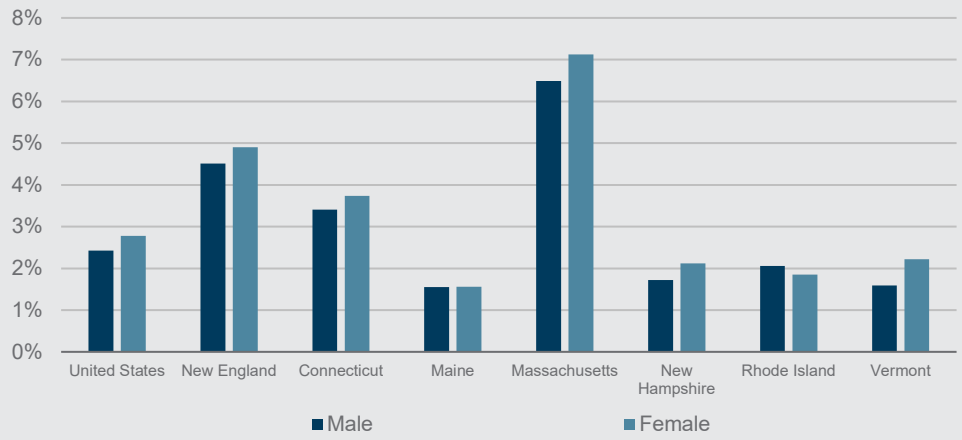
[12] See "A New Tool for Tracking and Monitoring UI Claims," page 14.

[13] See "A New Tool for Tracking and Monitoring UI Claims," page 14.

Gender

Across the New England states, women comprise at least half of the workforce, according to our analyses of U.S. Census Bureau Quarterly Workforce Indicators data.[14] While the rates for women were significantly higher than those for men in the early pandemic months, largely because of their concentration in impacted industries and their greater responsibility for child care when child-care providers and schools closed (see Boesch & Phadke, 2021), the gender rates converged later in 2020. As shown in Figure 3, UI claims rates (for continuing claims) are converging, but women still generally have slightly higher rates than men.

Figure 3. UI Claims Rate as a Share of the Workforce by Gender, June 2021



Note: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration (ETA), divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. The workforce data is available through Q2 2020, and the Federal Reserve Bank of Boston produced a forecast to estimate the size of the workforce at end of Q2 2021.

Source: Federal Reserve Bank of Boston analysis of U.S. Department of Labor ETA 203 report data on characteristics of the unemployed and U.S. Census Bureau Quarterly Workforce Indicators.

In June 2020, the rates for women ranged between 12.8 percent in Maine and 21.8 percent in Vermont, while a year later, in June 2021, the rates were down to below 3.7 percent across all states except Massachusetts, which remained high, at 7.1 percent. In each state, women's UI claims rates in June 2021 were higher than the rates in June 2019.

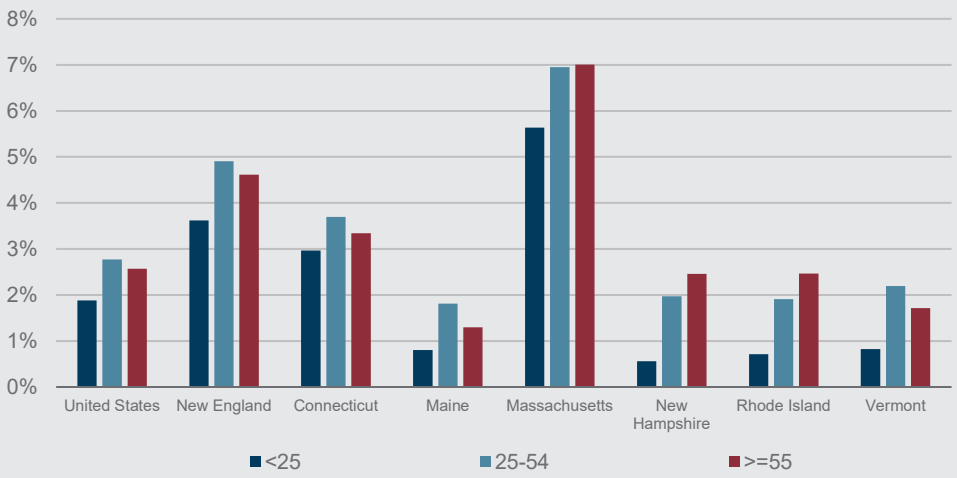
[14] All New England states report UI claimants' gender.

UI claims rates for men have been lower than those for women for most of the pandemic. In June 2020, the rates for men ranged from 10 percent in Maine to 15.8 percent in Massachusetts, whereas in June 2021 the rates for men were under 3.5 percent, except in Massachusetts, where the rate was 6.5 percent. Though lower than women's rates, these rates were higher in June 2021 than in June 2019 in each New England state.

Age

The pandemic has had differential effects by age across the six New England states. While the under-25 age group (11.9 percent of the region's workforce in June 2020) had the highest UI claims rates in Rhode Island and Massachusetts in the early pandemic months, those aged 55 years and over (26.1 percent of the region's workforce in June 2020) had the highest rate in Connecticut for the same period. The largest age cohort, 25- to 54-year-olds (62 percent of the region's workforce in June 2020), had the highest rates in Maine, New Hampshire, and Vermont at the beginning of the pandemic. In June 2021, younger workers were less often collecting UI in all the New England states. UI rates for older workers have been somewhat higher than for traditional working-age adults in New Hampshire, Rhode Island, and, to a lesser extent, Massachusetts. Workers ages 25–54 had the highest UI claims rates in Connecticut, Maine, and Vermont. (See Figure 4).

Figure 4. UI Claims Rate as a Share of the Workforce by Age, June 2021



Note: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration (ETA), divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. The workforce data are available through Q2 2020, and the Federal Reserve Bank of Boston produced a forecast to estimate the size of the workforce at end of Q2 2021.

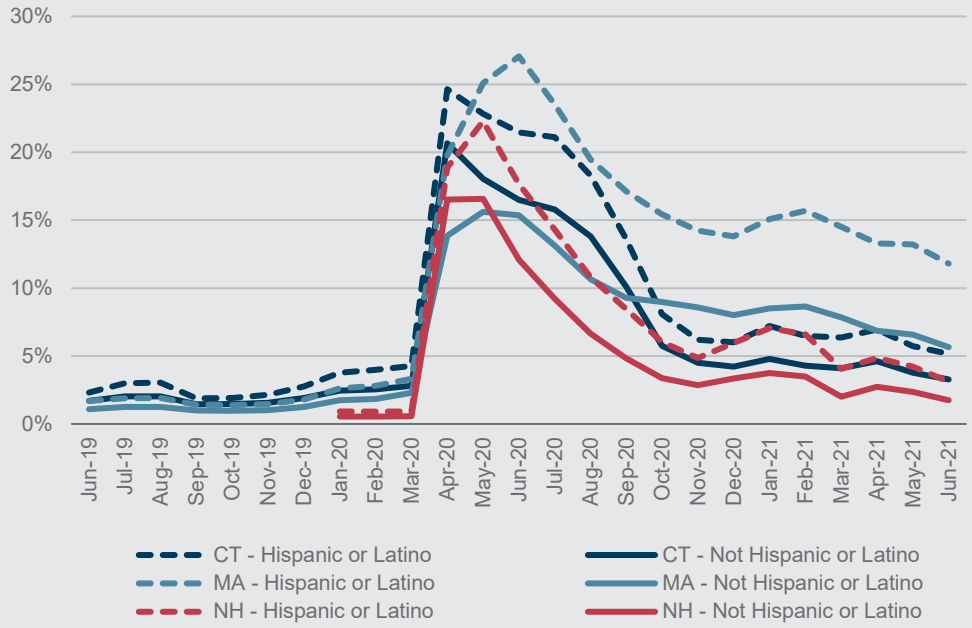
Source: Federal Reserve Bank of Boston analysis of U.S. Department of Labor ETA 203 report data on characteristics of the unemployed and U.S. Census Bureau Quarterly Workforce Indicators.

Race and Ethnicity

In the three New England states that report reliable UI claimant information by ethnicity—Connecticut, Massachusetts, and New Hampshire—the UI claims rates for the Hispanic/Latino population have been higher than those for non-Hispanics/Latinos. Note too that non-white racial/ethnic populations make up a relatively small share of the insured workforce across the region.

Although the UI rates for Hispanic/Latino populations in New Hampshire, Connecticut, and Massachusetts have decreased—from 8.5 percent, 13.6 percent, and 17.1 percent, respectively, in September 2020 to 3.1 percent, 5.2 percent, and 11.2 percent, respectively, in June 2021—the rate in Massachusetts remains significantly higher than in the other two states. (See Figure 5.)

Figure 5. UI Claims Rate as a Share of the Workforce by Ethnicity



Note: UI claims rates represent those who continued to file for unemployment insurance on the week including the 19th of the month, as reported by the Employment and Training Administration (ETA), divided by an estimate of the workforce using U.S. Census Bureau Quarterly Workforce Indicators data. The workforce data is available through Q2 2020 and the Federal Reserve Bank of Boston produced a forecast to estimate the size of the workforce at end of Q2 2021.

Maine, Rhode Island, and Vermont reported some claimant ethnicity data, but for 10 percent or more of the claimants in each state, ethnicity information was missing. Ethnicity information was missing for 10 percent or more of New Hampshire claimant data before January 2020.

Data for the “Hispanic or Latino” and “Not Hispanic or Latino” populations include both white and non-white racial categories.

Source: Federal Reserve Bank of Boston analysis of U.S. Department of Labor ETA 203 report data on characteristics of the unemployed and U.S. Census Bureau Quarterly Workforce Indicators.

While sharing similar seasonal patterns with Hispanic/Latino populations, non-Hispanic/Latino populations[15] in New England had lower UI claim rates in all months since the pandemic started. Additionally, these rates have not exceeded 21 percent in any of the states reporting unemployment data by Hispanicity.

Two states, Maine and New Hampshire, reported relatively reliable information about the race of UI claimants. While the prepandemic rates in both states were stable and ranged from 0.5 to 3 percent for all racial groups, the Native Hawaiian or Other Pacific Islander group rates were almost twice as high as the rates for other racial groups in all months following March 2020. Note, however, that these groups represent an extremely small share of the labor force (under 0.001 percent in both states as of June 2020) and thus estimates may be less precise.

A New Tool for Tracking and Monitoring UI Claims

Simultaneous with the release of this brief, we are launching a new interactive tool for tracking and monitoring unemployment insurance claims across the nation, region, and each New England state overall by gender, age, ethnicity, race, and industry. The tool represents a series of dynamic Tableau® dashboards that provide a month-by-month snapshot of how UI claims rates differ across industry and key demographic characteristics.

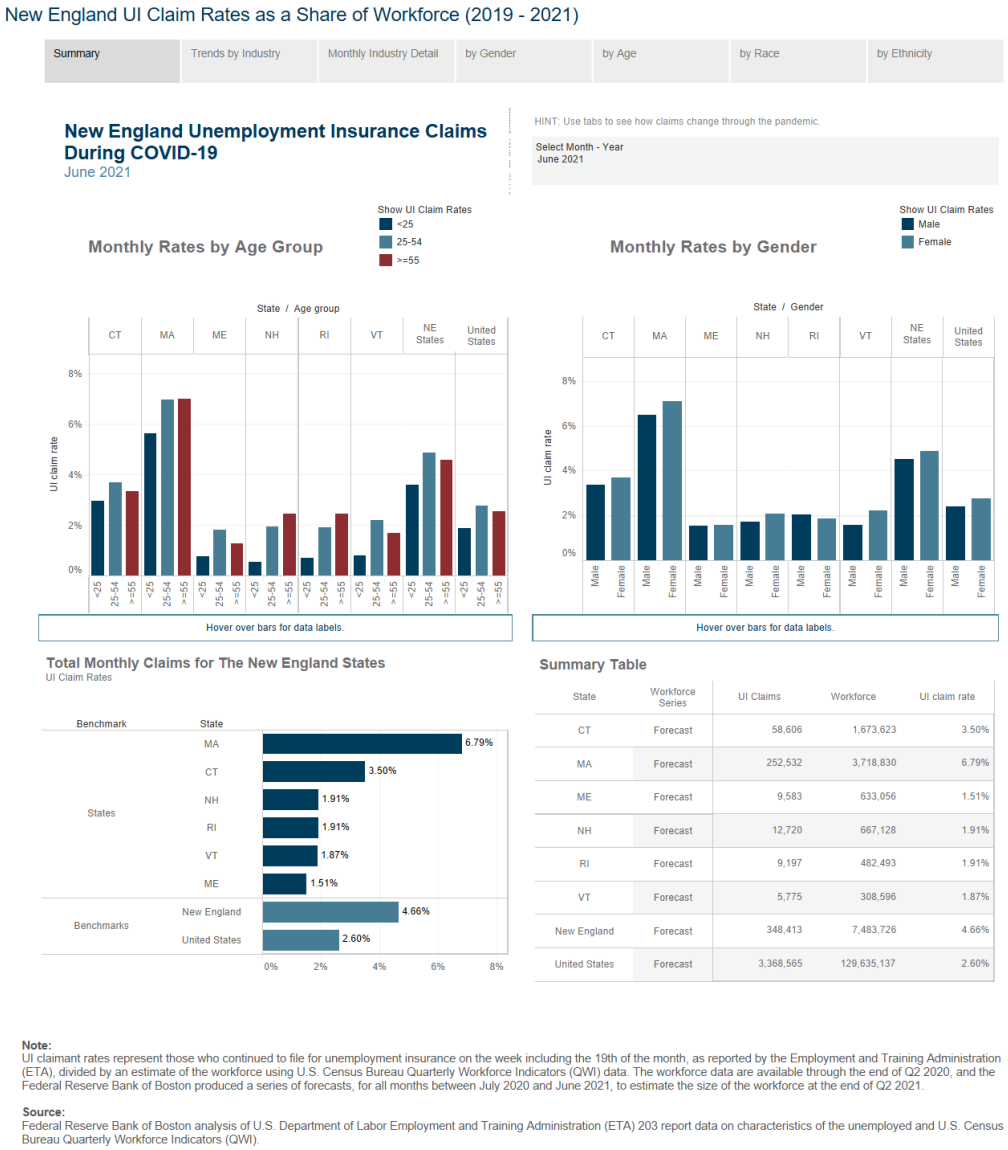
To provide a simple and yet holistic view of the UI claims rates during and beyond the COVID-19 pandemic, we have created a summary dashboard. It shows a monthly snapshot of UI claimant rates by age and gender, along with the total number of filed continuing unemployment claims and insured workforce. (See Figure 6).

The dashboards available in the online tool allow for quick and easy comparison between state, region, and national UI claims rates. There are also filters for month and year, demographic characteristic, and state, which allow users to customize their views.

As of April 2022, the dashboards present data from January 2019 to June 2021 and will be updated at least twice yearly.

[15] Data for the Hispanic/Latino and non-Hispanic/Latino populations include both white and non-white racial categories.

Figure 6. Summary Dashboard: Monthly Snapshot Unemployment Insurance Claims during COVID-19



We will regularly (at least twice per year, in accord with data availability) update the dashboards. The UI claim data is released monthly, while the quarterly workforce indicators are generally available with a lag.

Conclusion

In late spring and early summer 2021, many were feeling more optimistic as COVID-19 vaccines were widely available and viral spread declined dramatically. Consumers were out and about, and the recovery seemed promising. Dramatic declines in UI claims were evident over the subsequent year, yet UI claims rates persisted generally above prepandemic levels. This is in the context of worker shortages in many states, particularly in lower-paid, consumer-facing jobs with few benefits. Many may be unwilling to return to the conditions faced before the pandemic: low wages, tough hours, and fewer benefits like health insurance, retirement plans, and paid time off. Others may have health concerns precluding their return to work or may have lost child care, essential to stay in the labor force. Still others may have had sufficient funds with the supplemental UI that, in many states, ended in the fall of 2021.

While it is beyond the scope of this update to examine why these patterns persist, many result from the economic shutdown of 2020 following the onset of the pandemic. Additionally, the factors we described intersect in important ways. For example, Hispanics/Latinos and women were disproportionately impacted, at least in part because the hardest-hit industries employ larger shares of these groups. Our prior brief, published in fall 2020, provides more detail (Clifford & Mattingly, 2020).

By early August 2021, however, it was clear that the Delta variant was more transmissible. Concerns arose about the potential for vaccinated people to contract and spread the virus, and many states implemented safety measures to curb the spread and to protect children under age 12 for whom no vaccine had yet been authorized. More recently, the Omicron mutation has elevated concerns and again abated much of the return to normalcy. Though a vaccine has been approved for children ages 5–11, one for young children remains elusive. In line with that, the lack of a vaccine for young children may become a decision factor for many.

Although vaccines are readily available in the New England region and their effectiveness has been proven, it is still unknown how the development of any new variants will impact workers' decisions. Some people may decide to drop out of the workforce if they feel their job or workplace may pose health risks to them or their families. Regardless of the many unknowns around the future of the virus, workers are more conscious of their working conditions and the associated risks. Therefore, employers' readiness to provide a safe work environment will be important to promoting sustainable employment in the New England region in the years to come.

About the Authors

Kremena Ivanov

Kremena Ivanov is a senior data analyst in Data & Analytics at the Federal Reserve Bank of Boston.

Kremena.Ivanov@bos.frb.org

Marybeth J. Mattingly

Beth Mattingly is an assistant vice president in Regional & Community Outreach at the Federal Reserve Bank of Boston.

Beth.Mattingly@bos.frb.org

Robert Clifford

Robert Clifford is the director of data analytics at the Federal Reserve Bank of Boston.

Robert.Clifford@bos.frb.org

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Appendix 1: Methodology

To determine the unemployment insurance (UI) claims rate, we use both actual numbers and estimates for the workforce sizes. This is because workforce size data (quarterly workforce indicators, or QWI, data[16]) are only available at a lag. At the time of our analysis, the most recent available quarter-end QWI state data was as of Q2 2020, whereas national data were available as of Q1 2020. Using the actual historical QWI data, we have created multiple time-series models to predict the workforce sizes by key demographic characteristics for all months between July 2020 and June 2021. To indicate which UI claim rates are estimated using workforce size forecasts, we include the word forecast in all dashboard tooltips. Also, we use different colors for the line graph marks of UI claim rates calculated using QWI forecast data.[17]

[16] QWI provide local labor market statistics by industry, worker demographics, employer age, and size. Unlike statistics tabulated from firm or person-level data, the QWI source data are unique job-level data that link workers to their employers. Because of this link, labor market data in the QWI is available by worker age, sex, educational attainment, and race/ethnicity. This allows for analysis by demographics of a particular local labor market or industry—for instance, identifying industries with aging workforces. Links between workers and firms also allow the QWI to identify worker flows—hires, separations, and turnover—as well as net employment growth. (See U.S. Census Bureau, 2016.)

[17] See “A New Tool for Tracking and Monitoring UI Claims,” page 14.

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