

# The COVID19 labor market and the future of work

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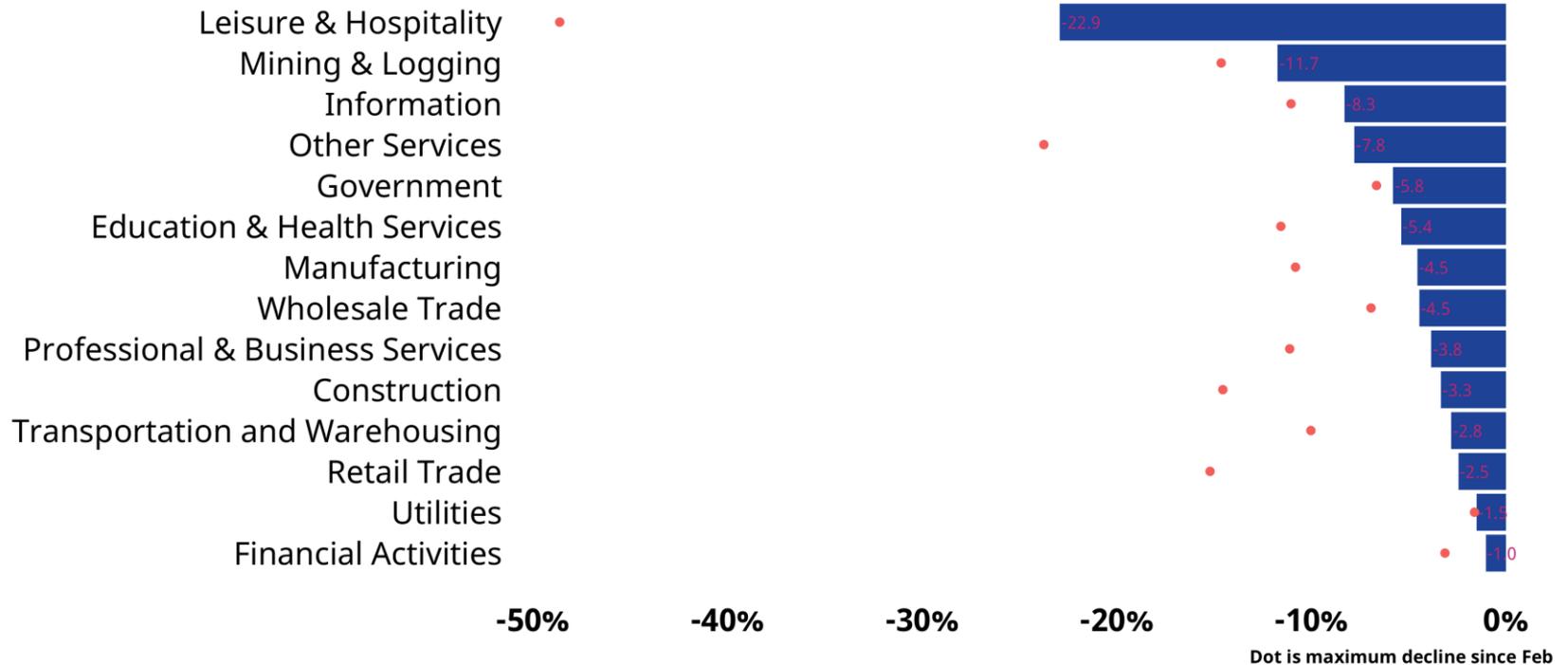


# Agenda

- Where we are now
- This recession really was different
- The rise and effect of remote work

# Hit to employment by industry sector

Jan 2021, employment, % chng since Feb 2020

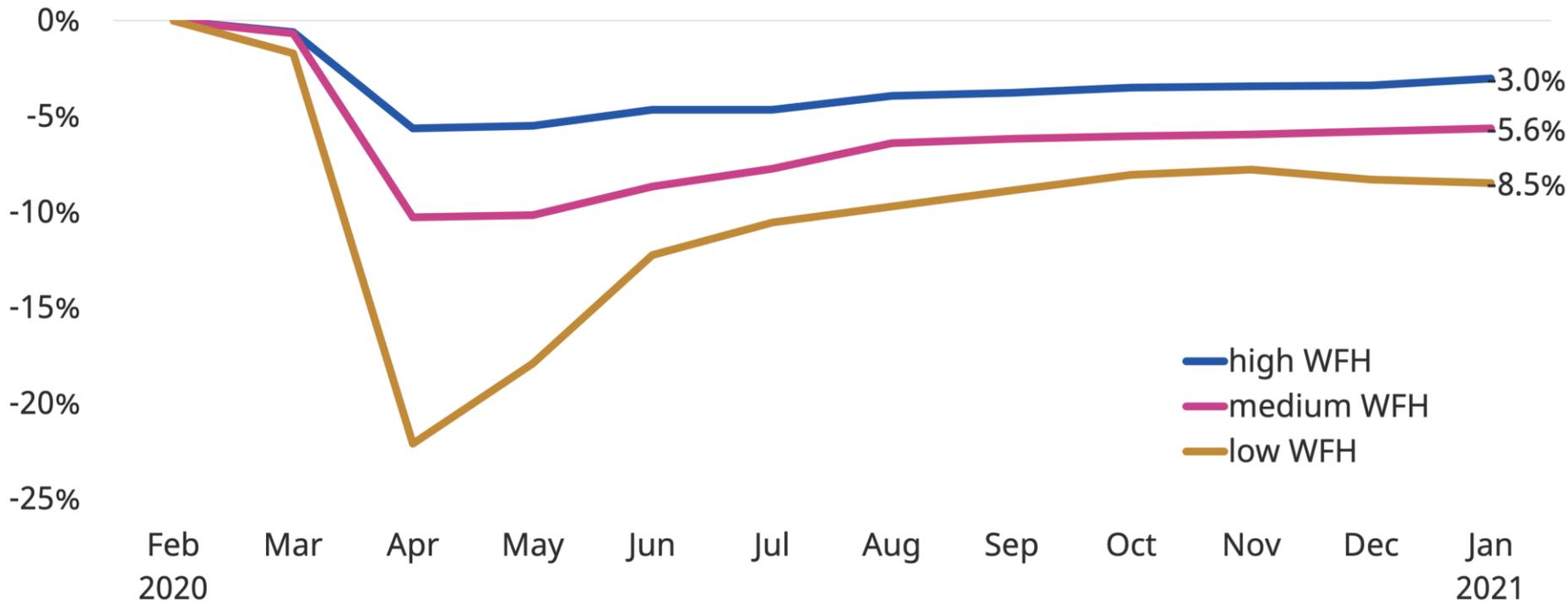


# The four pandemic sectors

- **Winning**
  - Delivery, online retail, some tech services
- **Rebounding**
  - Restaurants, personal services
- **Damaged**
  - Hospitality & tourism, arts & entertainment, and sports
- **Paused**
  - Tech, finance, and professional services

# Employment up in high WFH sectors in January

% change in payrolls since Feb 2020, by industry work-from-home score



Source: BLS; Dingel and Neiman NAICS3 work-from-home measures

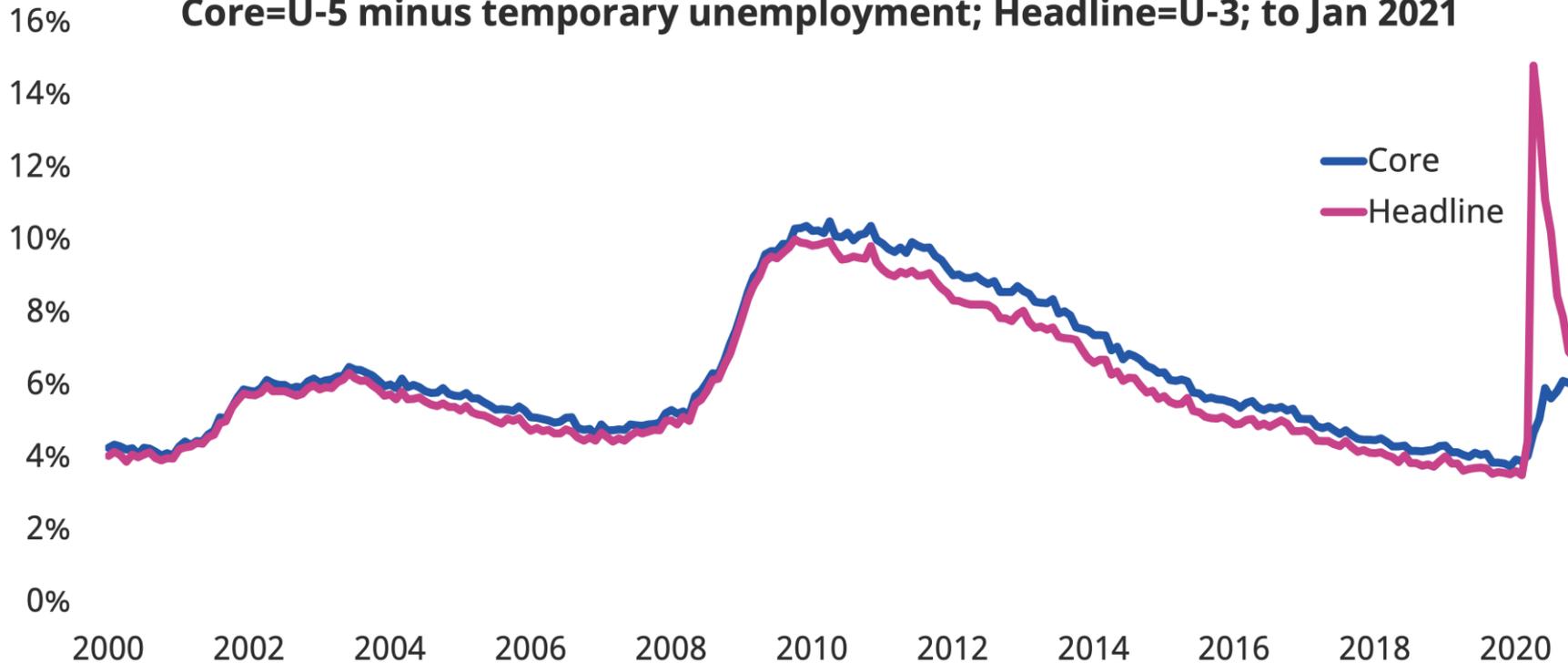


## How this recession was different

- Services hurt first and hardest
- Huge jump in temporary unemployment
- Labor supply shock, too
- Worse in big cities

# Core vs headline unemployment

Core=U-5 minus temporary unemployment; Headline=U-3; to Jan 2021



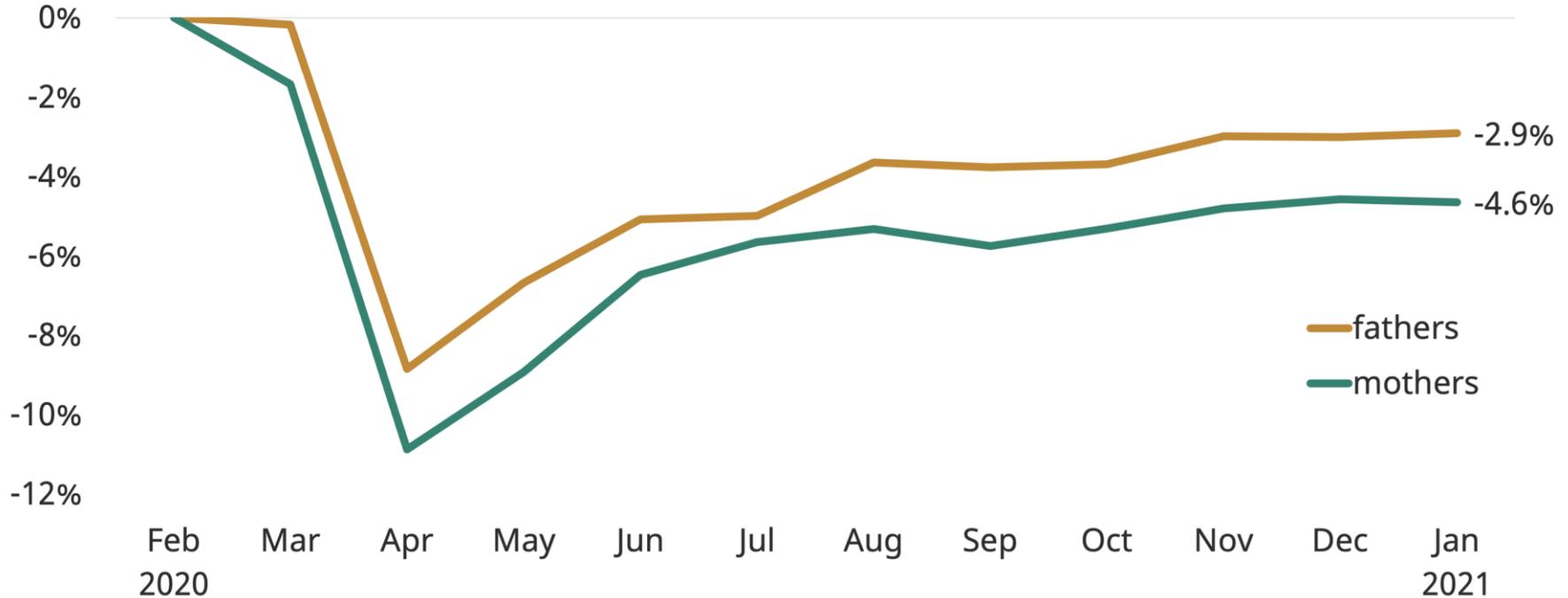
Source: BLS

Core: Unemployed (excl. temporary) plus marginally attached, divided by labor force plus marginally attached



# Parental gender gap in employment still wide

%pt change in prime-age employment-population ratio vs Feb 2020



Source: CPS microdata, seasonally adjusted  
Adults age 25-54 with own kids in household



# Metros with slowest job growth during COVID19

Employment change, Feb to Dec 2020, seasonally adjusted

#	Metro	Employment change
1	Springfield, MA-CT	-11.9%
2	Urban Honolulu, HI	-11.5%
3	Detroit-Warren-Dearborn, MI	-11.2%
4	Syracuse, NY	-10.7%
5	Rochester, NY	-10.5%
6	New York-Newark-Jersey City, NY-NJ-PA	-10.4%
7	San Francisco-Oakland-Hayward, CA	-10.1%
8	Youngstown-Warren-Boardman, OH-PA	-10.0%
9	Orlando-Kissimmee-Sanford, FL	-10.0%
10	Albany-Schenectady-Troy, NY	-9.6%

Among metropolitan areas with at least 500,000 people

Data subject to later revisions, sometimes significant

Source: BLS



# Metros with fastest job growth during COVID19

Employment change, Feb to Dec 2020, seasonally adjusted

#	Metro	Employment change
1	Ogden-Clearfield, UT	2.8%
2	Provo-Orem, UT	0.5%
3	Boise City, ID	-0.6%
4	Salt Lake City, UT	-0.6%
5	Palm Bay-Melbourne-Titusville, FL	-1.2%
6	Knoxville, TN	-1.4%
7	Austin-Round Rock, TX	-1.4%
8	Greenville-Anderson-Mauldin, SC	-1.6%
9	Chattanooga, TN-GA	-1.6%
10	Indianapolis-Carmel-Anderson, IN	-1.8%

Among metropolitan areas with at least 500,000 people

Data subject to later revisions, sometimes significant

Source: BLS

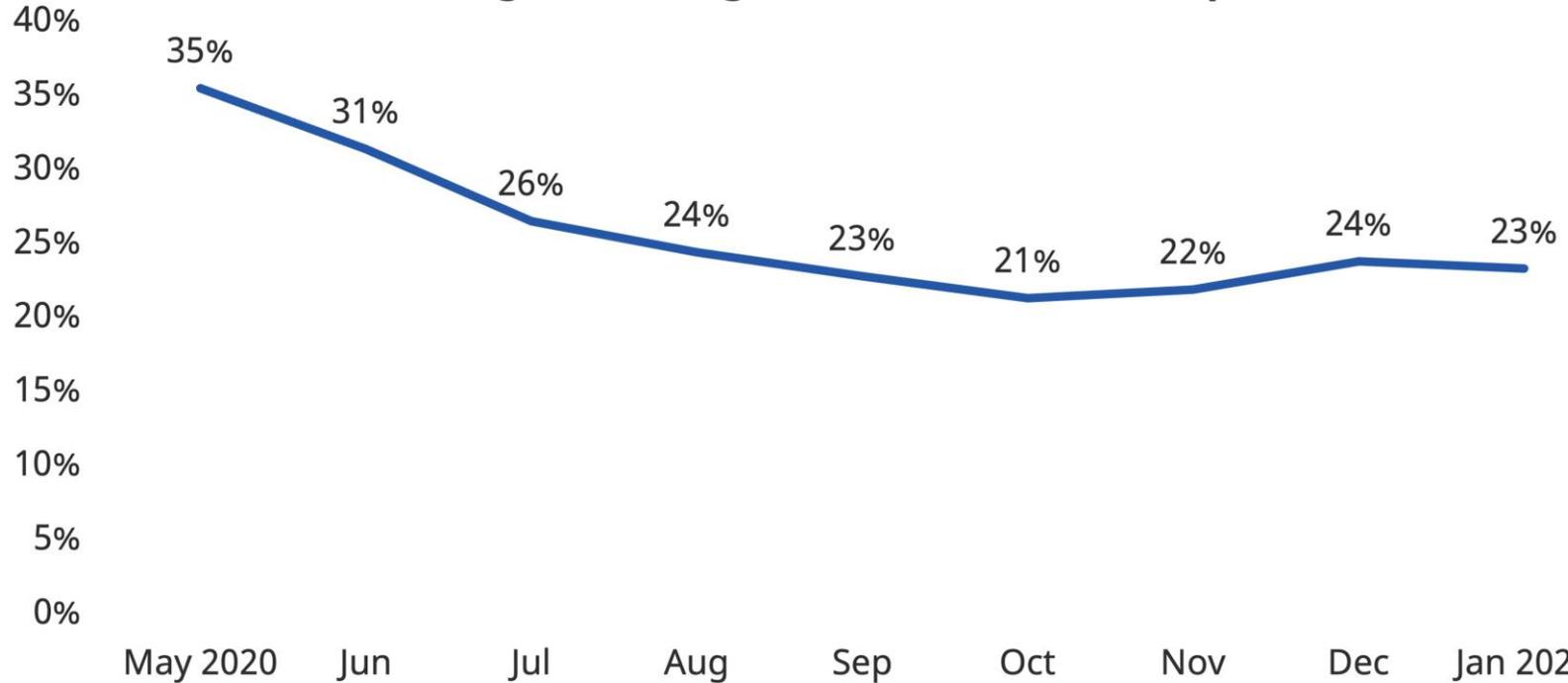


# The rise and effect of remote work

- Labor markets
- Housing demand
- Location

# Working from home remains steady

% teleworking or working from home because of pandemic

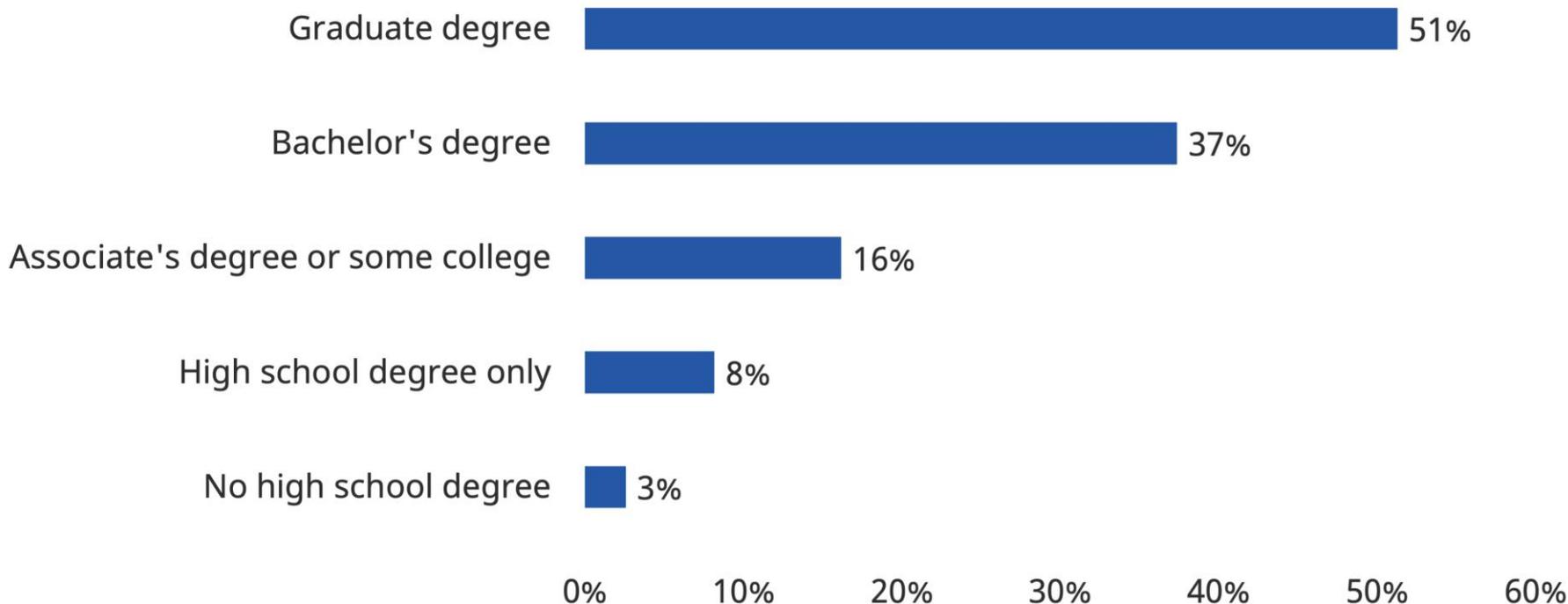


Source: BLS, not seasonally adjusted



# The inequity of remote work

% teleworking or working from home because of pandemic, Jan 2021

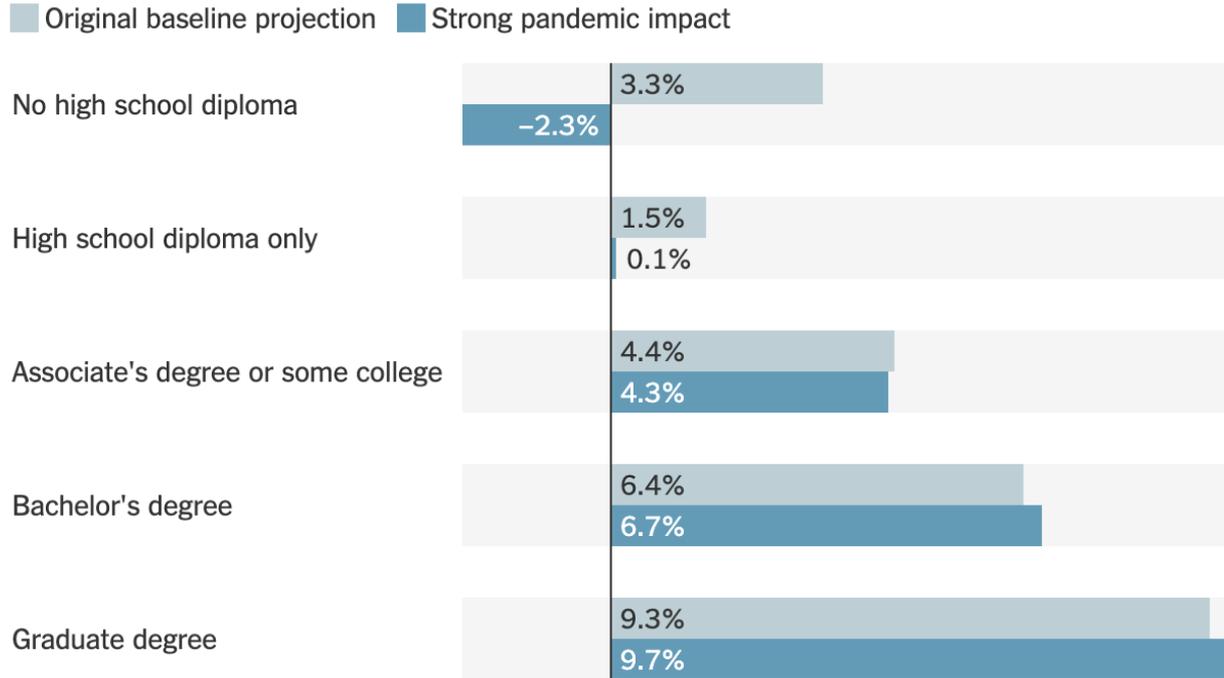


Source: BLS, not seasonally adjusted



# Projected Job Growth by Education Level

In a "strong" impact scenario, job growth is about zero or negative for those with no college experience or no high school diploma.



Source: B.L.S. • By The New York Times



# Remote work, housing demand, and location

- In-sourcing: higher demand for larger homes
- Suburbanization, not death of distance
  - Stay within labor market, but with longer, rarer commutes
  - Few people can truly move anywhere
  - Potentially big changes to downtowns