



Jobless

A Brief on Initial Unemployment Compensation Claimants
Residing in Philadelphia During the Local COVID-19 Coronavirus
Outbreak and City Shutdown

June 10, 2020

Important Disclaimer:

After the original publication of this brief, Philadelphia Works identified inconsistencies in state unemployment data describing the highest educational attainment levels of initial claimants. The portions of this brief discussing educational attainment may therefore not reflect the characteristics of Philadelphia claimants accurately. Philadelphia Works is awaiting further guidance from the State on how best to report these data discrepancies.

PHILADELPHIANS FILING INITIAL UNEMPLOYMENT COMPENSATION CLAIMS: COVID-19

Philadelphians experience very different rates of unemployment based on their neighborhoods, race and ethnicity, educational attainment, and age. Philadelphia Works presents this first paper in continuing analyses of our City residents experiencing employment disruptions due to the economic shutdown on March 16, 2020 to slow the spread of the coronavirus and resulting COVID-19 illnesses.

The COVID-19 Outbreak and Business Shutdown in the City of Philadelphia

The Philadelphia Department of Public Health announced the first case of the COVID-19 coronavirus in Philadelphia on March 10, 2020.¹ On March 16, 2020, Mayor Jim Kenney ordered the closure of all non-life-sustaining businesses operating within the city of Philadelphia by 5:00pm.²

Between that week and May 31, 2020, nearly 172,000 Philadelphia residents filed initial claims for unemployment compensation.³ During the period directly preceding the shutdown – December 29, 2019 – March 14, 2020 – city residents filed approximately 12,500 initial unemployment compensation claims. Filings during the shutdown reflect a 1,273% increase in initial claims.

Weekly Initial Unemployment Compensation Claims from December 29, 2019 – May 30, 2020

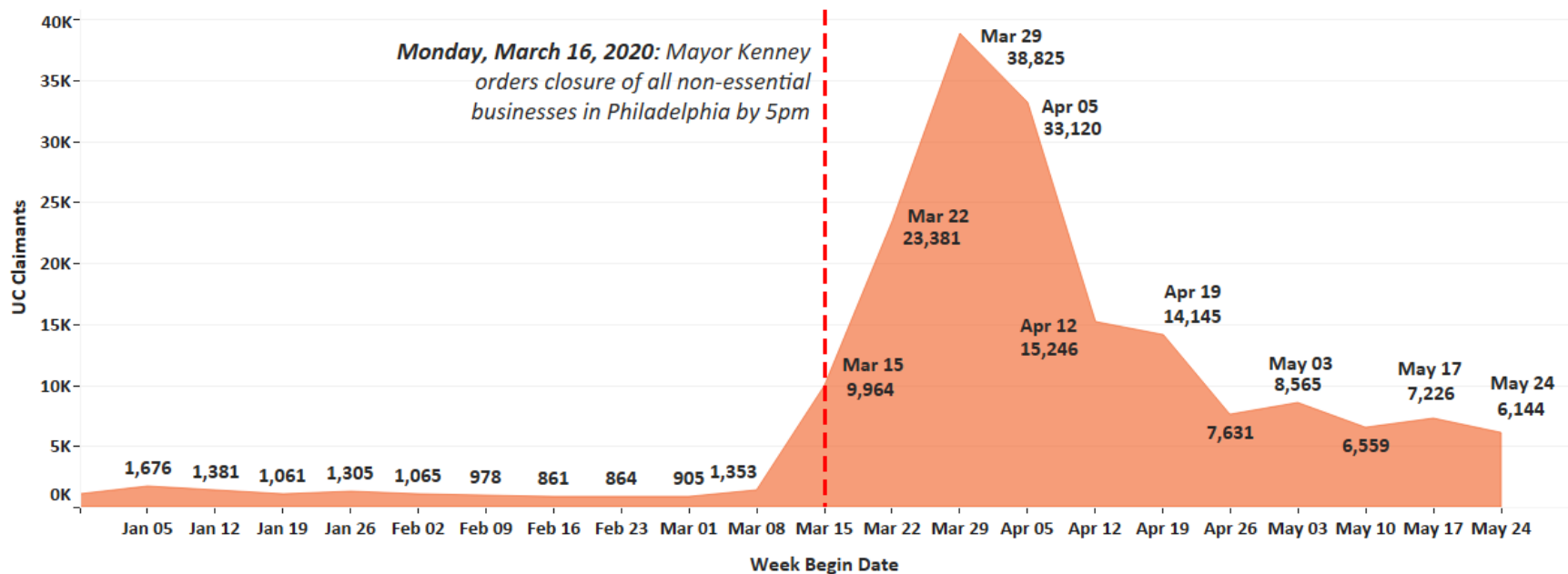
Weekly initial claims totals remained relatively stable between December 29, 2019 – March 14, 2020, as depicted in Figure 1. From the week of March 8 to that of March 15, however, initial filings jumped 636%, from 1,353 claims to 9,964 claims.

Weekly initial claims continued to increase week over week until peaking during the week of March 29, when 38,825 Philadelphians filed initial claims. The following week had the second highest total during the period. Claims continued to fall each week until reaching a total of 6,144 claims during the week of May 24 – May 30, 2020.

FIGURE 1

Weekly Initial Unemployment Compensation Claims By Philadelphia Residents

December 29, 2019 - May 30, 2020



Philadelphia Works, Inc.

Source: PA CWDS Unemployment Compensation Initial Claims

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

The Philadelphia Zip Codes Bearing the Largest Share of the Economic Impact of the COVID-19 Outbreak, Based on Initial Unemployment Compensation Claims Data

When grouped by zip code, initial claims during the shutdown period through May 31, 2020 were highest among the following Philadelphia neighborhoods:

- 19111 – Rhawnhurst
- 19120 – Olney
- 19124 – Frankford
- 19134 – Port Richmond
- 19139 – Haddington
- 19143 – Southwest Philadelphia
- 19144 – East Germantown
- 19140 – Hunting Park
- 19145, 19148 – South Philadelphia
- 19149 – Northeast Philadelphia

The maps in Figure 2 compare each zip code’s share of initial claims during both the pre-shutdown period and the shutdown period. For example, during the pre-shutdown period, initial claims by residents of zip code 19149 accounted for 2.5% of all claims during the period. Following the city shutdown, this area accounted for 4.2% of all claims.

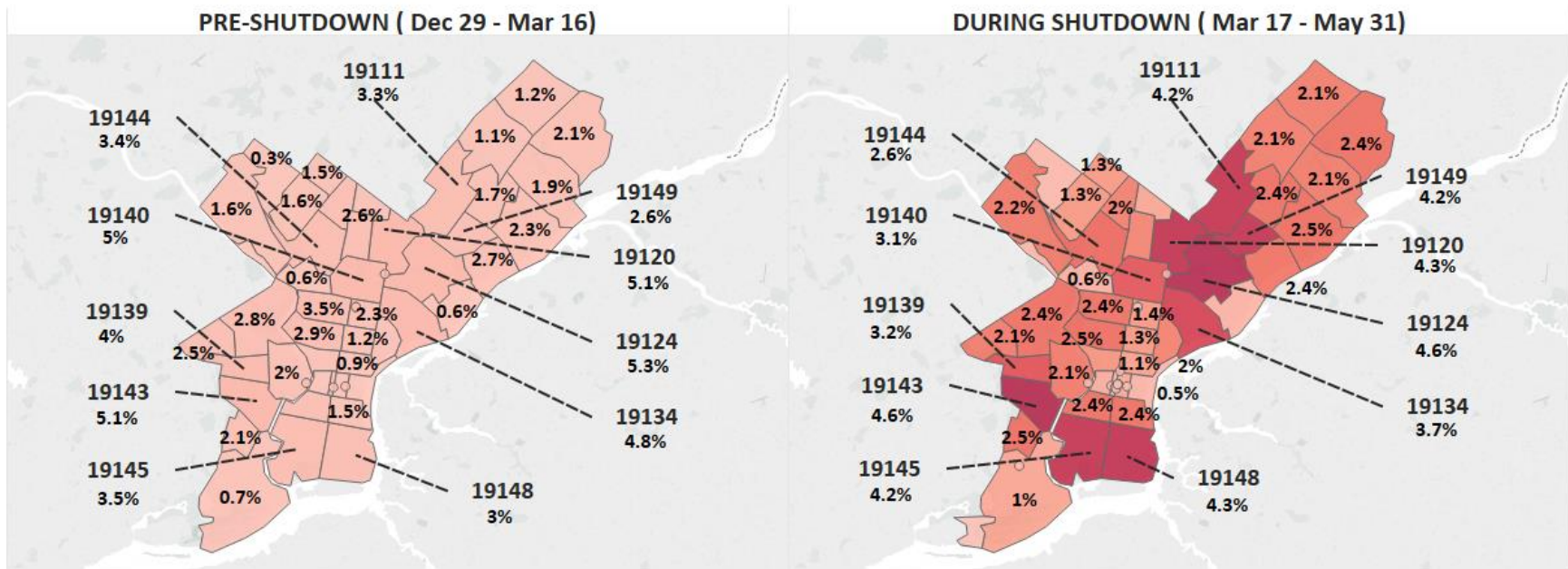
Color variations among zip codes in the pre-shutdown map are barely distinguishable due to a much lower number of total initial claims across the city during this period. Here, even a small difference between claims in two zip codes causes a dramatic difference in their percent share of total claims.

Most of the zip codes that had the highest proportions of initial claims in the pre-shutdown period have also faced the greatest contributions to total claims during the shutdown period. Total claims disparities among zip codes have also increased. The counts of initial claims by zip code are indicated by the color densities in the second map.

FIGURE 2

Initial Unemployment Compensation Claims By Philadelphia Residents, By Zip Code

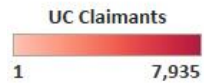
December 29, 2019 - May 31, 2020



Philadelphia Works, Inc.

Source: PA CWDS Unemployment Compensation Initial Claims

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.



Characteristics of Initial Unemployment Compensation Claimants Residing in Philadelphia During the COVID-19 Outbreak and City Closure

Age

Residents of different ages were impacted by the outbreak and city shutdown differently. Nearly one-third of Philadelphia residents who filed initial unemployment compensation claims from March 15 – May 31, 2020 were between the ages of 25 – 34 on the date they filed. Following this group, individuals age 35 – 44 accounted for nearly one-fifth of initial claimants. The 18-24 age group comprised approximately 18% of initial claimants. Claimants who were 65 or older at the time of filing accounted for only 3.8% of all claimants.

FIGURE 3

Initial Unemployment Compensation Claims By Philadelphia Residents, By Age December 29, 2019 - May 31, 2020

| Age Group | Claimants | % |
|--------------|----------------|---------------|
| 14 and Under | 1 | 0.0% |
| 15 - 17 | 1,019 | 0.6% |
| 18 - 24 | 31,281 | 18.2% |
| 25 - 34 | 56,026 | 32.6% |
| 35 - 44 | 33,946 | 19.8% |
| 45 - 54 | 24,836 | 14.5% |
| 55 - 64 | 18,024 | 10.5% |
| 65 - 74 | 5,702 | 3.3% |
| 75 - 84 | 853 | 0.5% |
| 85+ | 48 | 0.0% |
| Not Reported | 19 | 0.0% |
| TOTAL | 171,755 | 100.0% |

*Philadelphia Works, Inc.
Source: PA CWDS Unemployment Compensation Initial Claims
Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.*

Educational Attainment

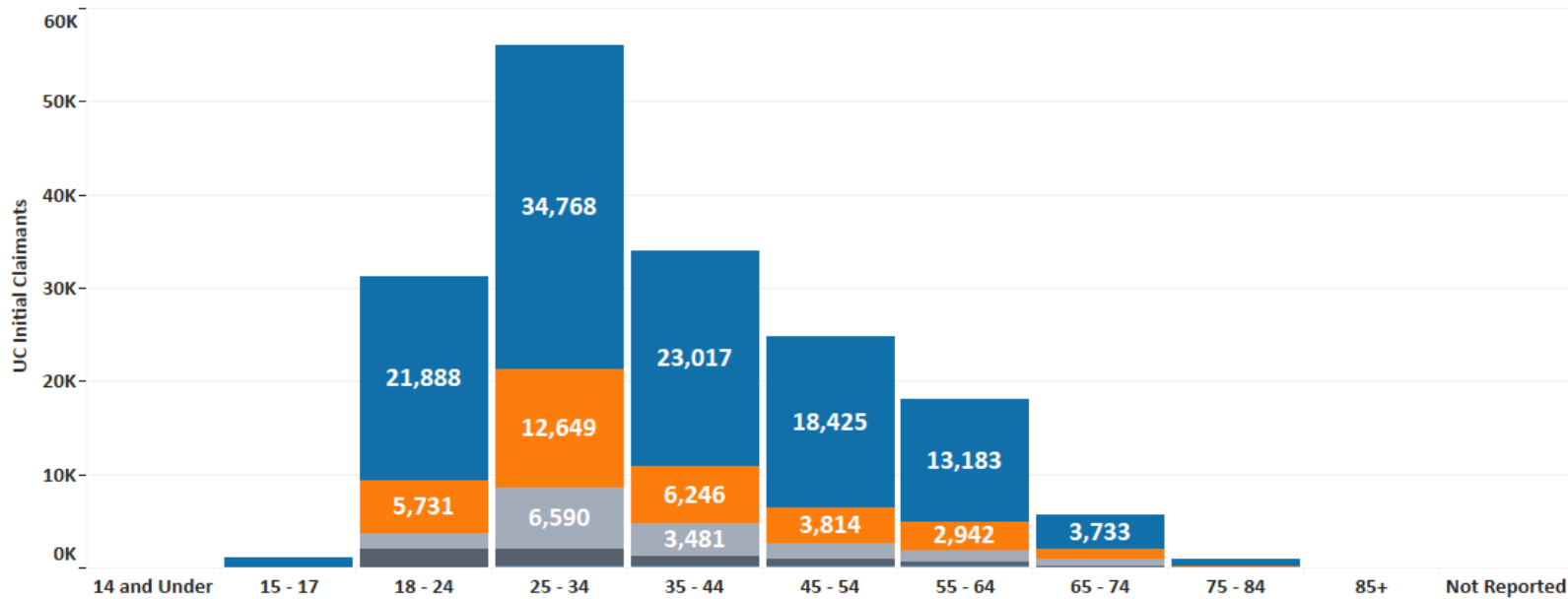
Nearly 68% of initial claimants who filed during the period March 15 – May 31, 2020 reported an educational attainment level below a high school diploma or its equivalent. Particularly, more than half of all claimants reported educational attainment through the eleventh grade. This is especially worrying as jobs have increasingly demanded additional education and skills, making this a very vulnerable group for finding employment as the crisis eases.

Figure 4 depicts the breakdown of educational attainment among each age group that filed during the period.

FIGURE 4

Educational Attainment of Initial Unemployment Compensation Claimants in Philadelphia, By Age Group

March 15 - May 31, 2020



Philadelphia Works, Inc.

Source: PA CWDS Unemployment Compensation Initial Claims

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

Educational Attainment

- Educational Attainment Below a High School Diploma
- High School Diploma, GED, or Equivalency Diploma
- Post-Secondary Education or Certification
- Special Education Certificate of Attendance/Completion
- Not Reported

Gender, Military Service, and Disability

The gender split of initial claimants who filed during the March 15 – May 31, 2020 period is nearly equal:

- 51.6% of claimants identified as female, while
- 48.4% identified as male.

Note: Pennsylvania's initial claims filing process provides only "Male" and "Female" self-identification options for claimants to select from.⁴

More than 2,700 residents who filed initial claims during the period reported a military service record. These claimants represent approximately 1.6% of the entire initial claimant population during the period.

When asked, "Do you consider yourself to have a disability?" during the initial filing process, nearly 6,000 residents reported in the affirmative.⁴ This cohort represents 3.5% of all Philadelphia initial claimants.

More than 475 residents were reported to have both a disability and a military service record.

Race and Ethnicity

Limited information regarding the self-reported race and ethnicity of initial claimants is available outside of state offices. The [Center for Workforce Information & Analysis' Weekly Unemployment Compensation Claims Dashboard](#) reports the breakdown of race and ethnicity as a percentage of all claims by county on a weekly basis.³

According to these figures, during the weeks preceding the week of March 15, 2020, more than 50% of Philadelphians making initial claims self-reported as Black. During the weeks of March 15 and March 22, however, claims by Philadelphians self-reporting as white increased, causing Black claimants' percent share of total claims to fall below that of white claimants.

Following this two-week period, in each subsequent week claimants identifying as Black made up the largest cohort of any self-reported race. The disparity between white and Black claimants continued to increase roughly over time until returning to pre-shutdown levels.

FIGURE 5

Weekly Initial Unemployment Compensation Claims By Philadelphia Residents, By Race and Ethnicity

December 29, 2019 - May 30, 2020

| Race/Ethnicity | Mar 08 | Mar 15 | Mar 22 | Mar 29 | Apr 05 | Apr 12 | Apr 19 | Apr 26 | May 03 | May 10 | May 17 | May 24 |
|----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Black | 52.7% | 31.5% | 35.2% | 39.1% | 38.5% | 35.9% | 36.2% | 43.1% | 51.9% | 53.4% | 57.1% | 56.3% |
| White | 29.0% | 48.3% | 42.3% | 34.9% | 31.5% | 31.7% | 36.0% | 28.2% | 26.0% | 24.0% | 22.0% | 21.1% |
| Hispanic | 9.2% | 9.7% | 10.5% | 11.5% | 11.8% | 14.7% | 11.4% | 11.7% | 10.3% | 10.7% | 9.4% | 11.5% |
| Pacific Islander or Asian | 2.5% | 3.5% | 4.9% | 6.6% | 6.2% | 5.9% | 6.1% | 6.2% | 4.4% | 4.5% | 3.5% | 3.2% |
| American Indian or Alaskan | 0.3% | 0.2% | 0.3% | 0.2% | 0.3% | 0.4% | 0.3% | 0.3% | 0.4% | 0.2% | 0.4% | 0.5% |
| Unknown | 6.3% | 6.8% | 6.8% | 7.6% | 11.8% | 11.5% | 10.0% | 10.5% | 7.0% | 7.1% | 7.5% | 7.4% |

Philadelphia Works, Inc.
Source: CWIA Weekly Unemployment Compensation Claims Dashboard

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

Throughout most of January, the share of claimants self-reporting as Hispanic hovered between 15.1 – 17.1%. Beginning in late January, the Hispanic claims rate decreased roughly week over week to stabilize at the beginning of February. From this point forward, Hispanic claimants represented between 9.2 – 11.8% of all claimants. The only exception was the week of April 12, during which Hispanic claimants represented 14.7% of all claimants.

FIGURE 6

Weekly Initial Unemployment Compensation Claims By Hispanic or Latino Philadelphia Residents

December 29, 2019 - May 30, 2020

| | Dec 29 | Jan 05 | Jan 12 | Jan 19 | Jan 26 | Feb 02 | Feb 09 | Feb 16 | Feb 23 | Mar 01 | Mar 08 |
|----------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Hispanic | 16.9% | 17.1% | 15.1% | 15.3% | 13.6% | 12.3% | 11.5% | 10.4% | 10.2% | 10.5% | 9.2% |
| | Mar 15 | Mar 22 | Mar 29 | Apr 05 | Apr 12 | Apr 19 | Apr 26 | May 03 | May 10 | May 17 | May 24 |
| | 9.7% | 10.5% | 11.5% | 11.8% | 14.7% | 11.4% | 11.7% | 10.3% | 10.7% | 9.4% | 11.5% |

Philadelphia Works, Inc.
Source: CWIA Weekly Unemployment Compensation Claims Dashboard

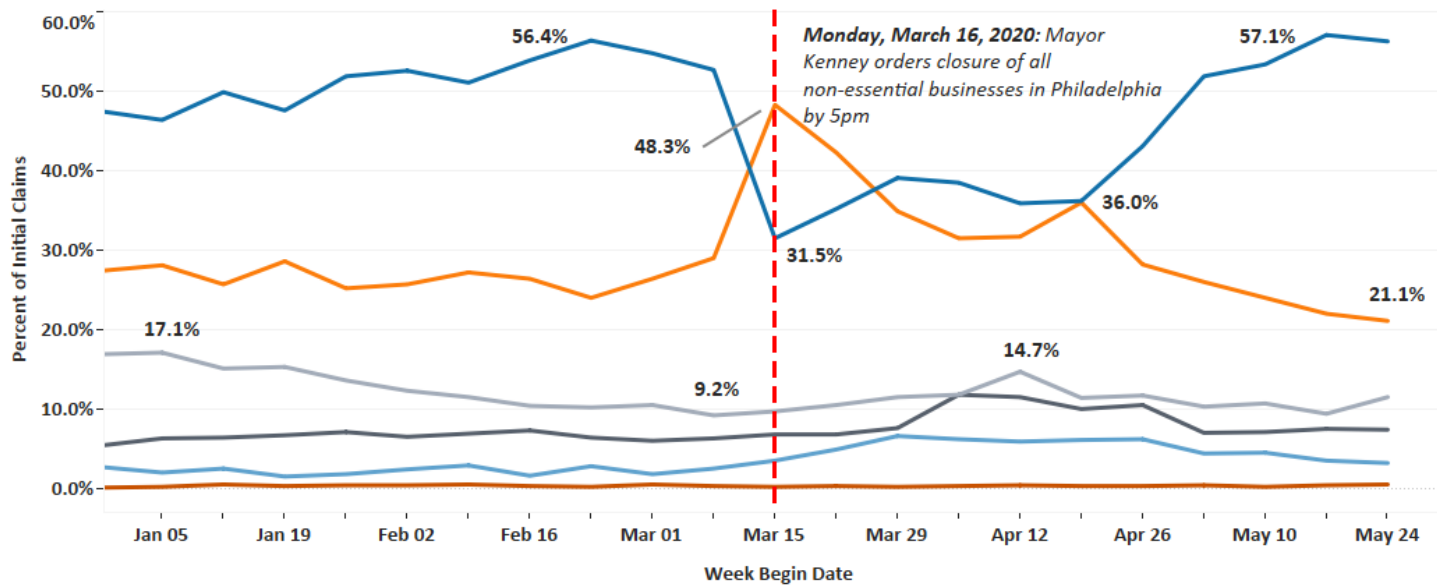
Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

Throughout both the pre-shutdown and shutdown periods, other self-reported races, including Pacific Islander or Asian and American Indian/Alaskan remained between 0 – 10% of all initial claims by Philadelphia residents.

FIGURE 7

Weekly Initial Unemployment Compensation Claims By Philadelphia Residents, By Race and Ethnicity

December 29, 2019 - May 30, 2020



Philadelphia Works, Inc.
Source: PA CWDS Unemployment Compensation Initial Claims

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

Race/Ethnicity

- Black
- White
- Hispanic
- Unknown
- Pacific Islander or Asian
- American Indian or Alaskan

Context of Initial Claims Data

Pennsylvania residents seeking unemployment compensation first file an initial claim with the state as part of the eligibility determination process. As a result, initial claims data include both individuals who will be deemed eligible to receive unemployment compensation and individuals who may later be deemed ineligible.

Initial claimants are distinct from individuals who have already filed an initial claim and are awaiting a determination of eligibility; from individuals for whom a determination of eligibility has already been reached; and from individuals who are awaiting receipt of unemployment compensation following confirmation of eligibility. They are also distinct from individuals who have already received unemployment compensation and continue to file claims to receive additional compensation. These individuals may be referred to as *continuing claimants*, as they must file *continuing claims* to continue receiving unemployment compensation.

Employers Cited in Philadelphians' Initial Claims

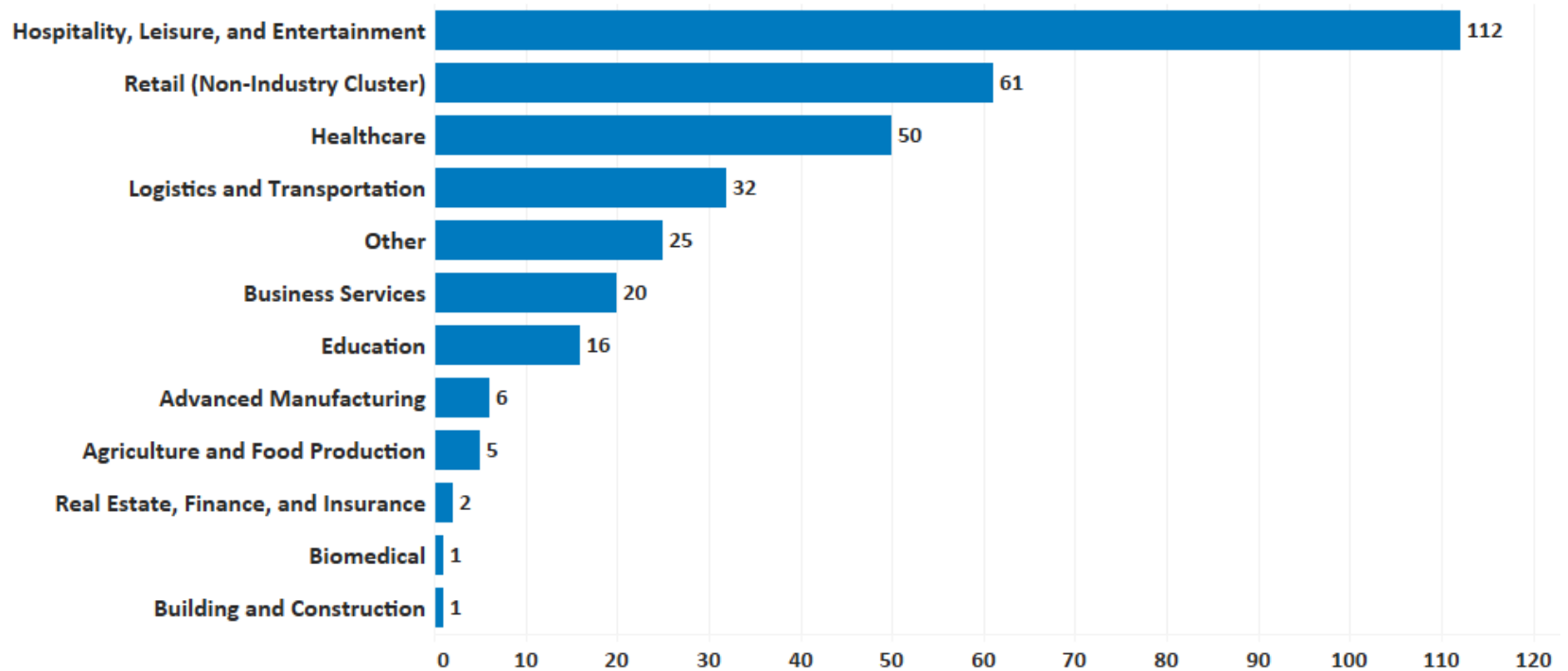
Among employers cited in at least 25 individuals' initial claims between March 15 – May 31, 2020, more claims referenced Hospitality (including food service and restaurants), Leisure, and Entertainment employers than those in any other industry cluster. Retail businesses comprised the second-largest group of employers cited in initial claims.

The Industry clusters categorized in Figure 8 are defined by the PA Department of Labor and Industry and represent groupings of industries that share common labor pools, supply chains, operational efficiencies, and other commonalities.⁵

FIGURE 8

Employers Cited in 25 or More Initial Unemployment Compensation Claims, By PA Industry Cluster

March 15 - May 31, 2020



Philadelphia Works, Inc.

Source: PA CWDS Unemployment Compensation Initial Claims

Claims data reflect initial claims submitted by Philadelphia residents. As a result, these data include claims that were later deemed eligible for unemployment compensation as well as those that were later deemed ineligible.

Among employers referenced in 25 or more individuals’ initial claims during the shutdown period, Uber and Lyft combined accounted for about 7.5% of all employers. On-demand employers, which include Uber, Lyft, Instacart, Doordash, and Grubhub, accounted for nearly 8% of all employers.

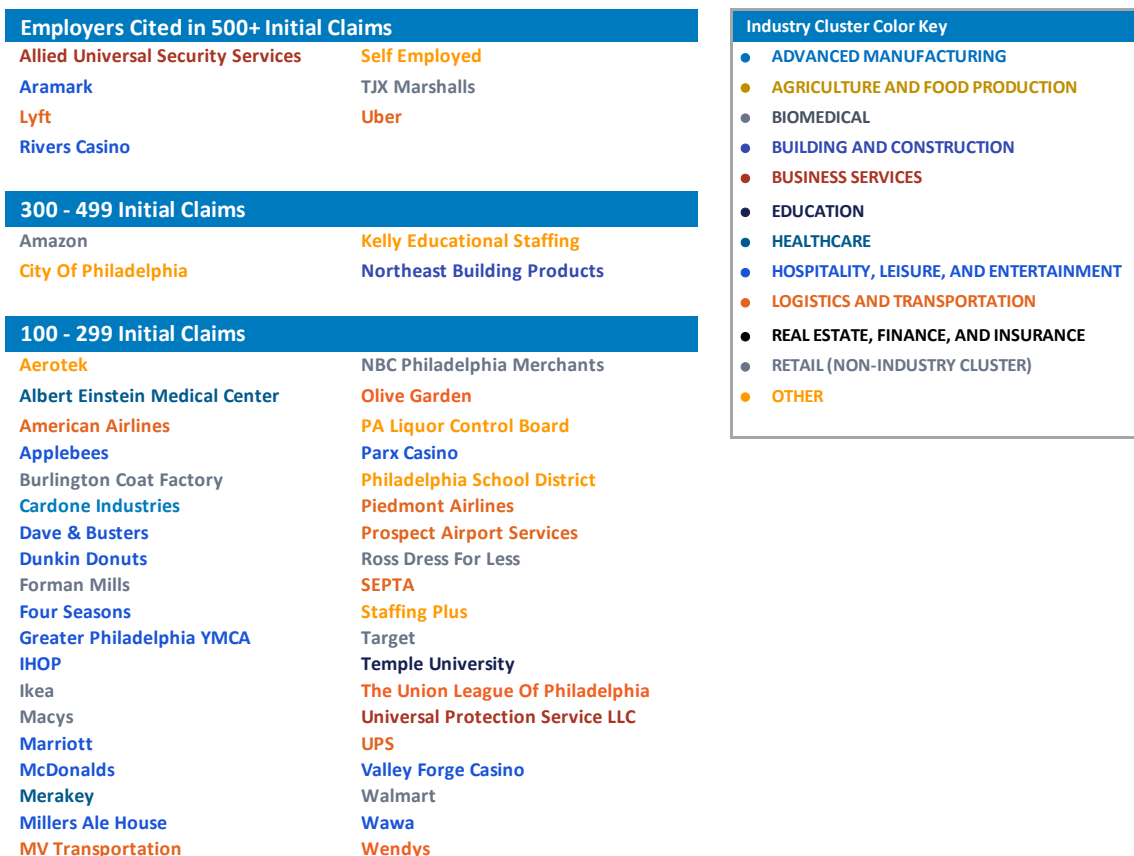
Individuals self-reporting as self-employed represented the fourth largest employer group among all employers with 25 or more cited claims.

As depicted in Figure 9, the cohort of employers cited in 500 or more initial claims included employers in Hospitality, Retail, Logistics and Transportation, and Business Services, as well as those who are self-employed. Some employees have been released from work temporarily and will be called back to work as economic activity increases.

Franchise establishments have been grouped, though these may have different owner-models.

FIGURE 9 Employers Cited in 100 or More Initial Unemployment Compensation Claims, By Number of Claims

March 15 - May 31, 2020



SOURCES

¹ Kellner, Hans. "Philadelphia announces first case of COVID-19 coronavirus." City of Philadelphia, 10 March 2020, <https://www.phila.gov/2020-03-10-philadelphia-announces-first-case-of-covid-19-coronavirus/>.

² Board of Health, Department of Public Health, Office of the Mayor. "City Announces New Restrictions on Business Activity in Philadelphia." City of Philadelphia, 16 March 2020, <https://www.phila.gov/2020-03-16-city-announces-new-restrictions-on-business-activity-in-philadelphia/>.

³ "Weekly Unemployment Compensation Claims." The Center for Workforce Information & Analysis, 6 June 2020, <https://www.workstats.dli.pa.gov/dashboards/Pages/Weekly-UC.aspx>.

⁴ "Filing a Claim." Pennsylvania Department of Labor & Industry Office of Unemployment Compensation, <https://www.uc.pa.gov/unemployment-benefits/file/Pages/File%20an%20Initial%20Claim.aspx>.

⁵ "Industry Clusters." The Center for Workforce Information & Analysis, <https://www.workstats.dli.pa.gov/Products/PAIndustryClusters/Pages/default.aspx>.