



# Labor Market in New England and Covid-19 Implications

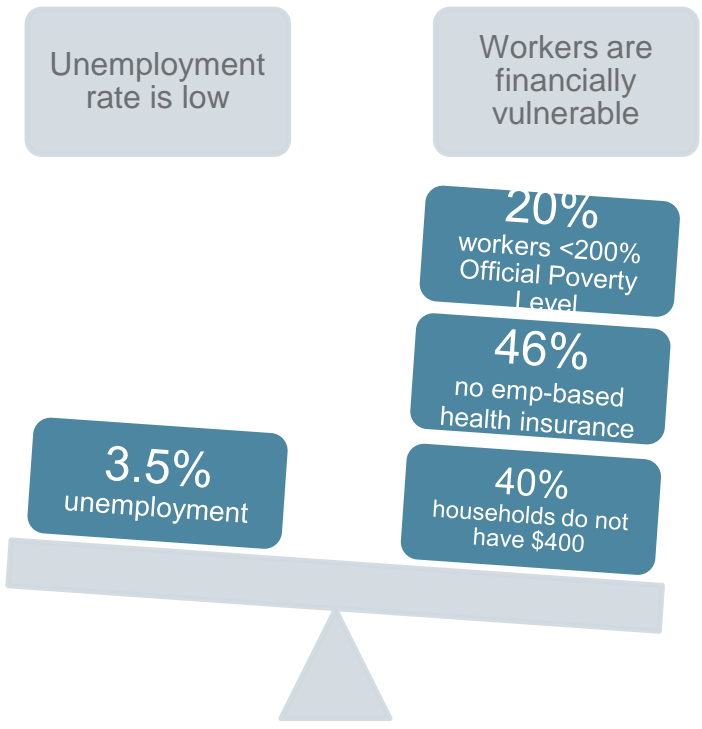
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Prepared for: Maine Economic Recovery Committee Panel  
June 19, 2020

*The views expressed are my own and not those of the Federal Reserve Bank of Boston, the Federal Reserve System, or its Board of Governors.*



# Before Covid-19--Low Unemployment, but Dramatic Inequality: Many Jobs were Insufficient



Sources: Board of Governors of the Federal Reserve System. (2019). *Report on the economic well-being of US households in 2018*. Retrieved from <https://www.federalreserve.gov/publications/2019-economic-well-being-of-us-households-in-2018-preface.htm>.

Federal Reserve Bank of Boston analysis of 2014-2018 American Community Survey 5-Year Sample (weighted percents).



# Covid-19 Exacerbates Existing Inequalities Within Labor Market

## Most Affected Occupations

- Personal Care Jobs
- Food Service Workers

## Most Affected People

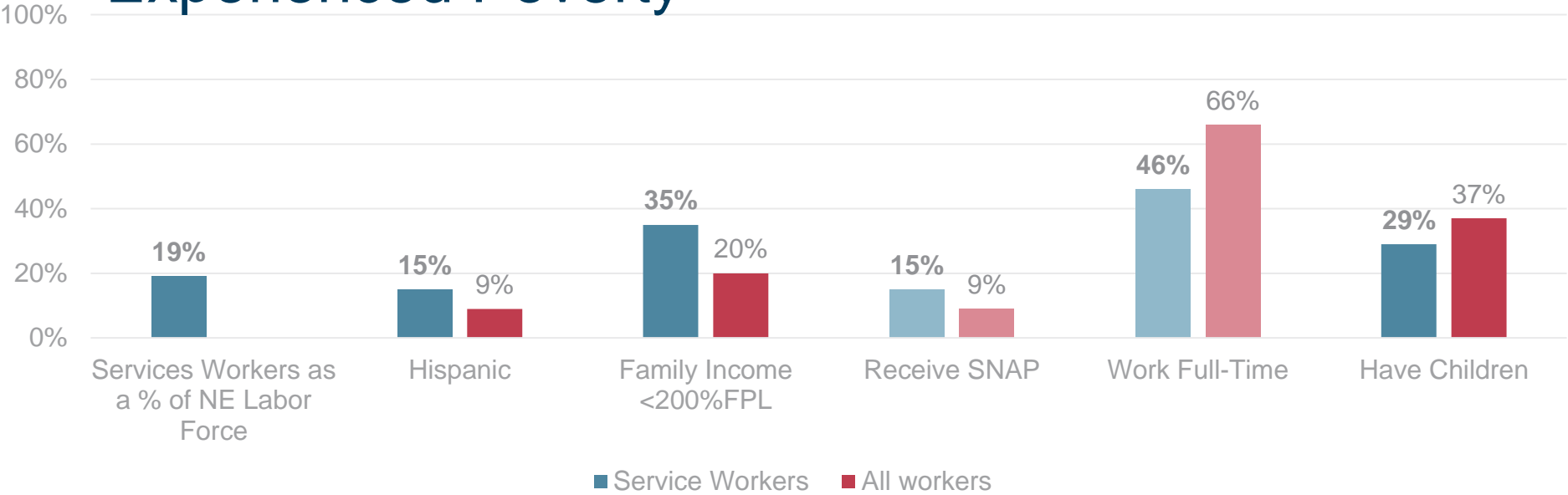
- Younger Workers
- 65+ Workers
- Women
- Hispanic Workers

## Least Affected Occupations

- Legal, Business & Financial
- Protective Services
- Computer & Math



# 1 in 5 workers in New England are Service Workers, And Pre-Covid-19, Disproportionately Experienced Poverty



- ▶ Note: Includes the following occupation groups: food service, cleaning and building maintenance, retail and other hospitality jobs
- ▶ Source: Sara Chaganti, Erin Graves, Amy Higgins, Marybeth Mattingly, Sarah Savage, and Catherine Tonsberg, "The Effects of the Novel Coronavirus Pandemic on Service Workers in New England," Federal Reserve Bank of Boston, March 2020, <https://www.bostonfed.org/publications/community-development-issue-briefs/2020/the-effects-of-the-novel-coronavirus-pandemic-on-service-workers-in-new-england.aspx>.



# Covid-19 Job Losses in New England

- Higher in New England than nation
- A quarter of the insured workforce filed UI claims
- Accommodation and food service industries hit hardest

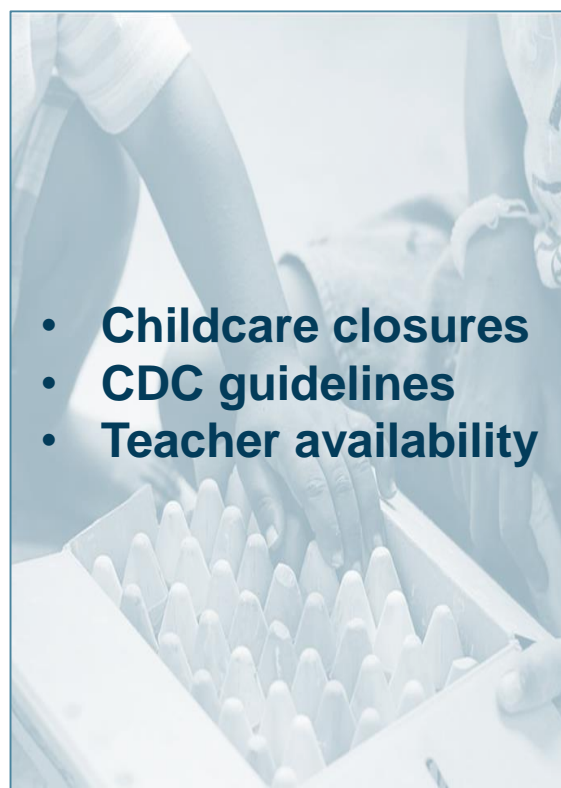
Source: Federal Reserve Bank of Boston Analyses, 2020.



# Unemployment Insurance Cushioning Impacts

- CARES Act expanded eligibility and increased benefits (\$600)
- Expires July 31<sup>st</sup>
- Financial uncertainty
- Impacts on SNAP, Evictions, Other Areas

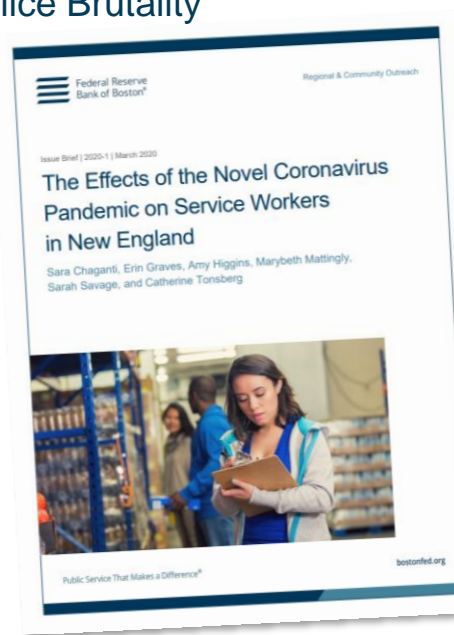
# For Many, The Road to Returning to Work Filled With Uncertainty





# Covid-19 and Community Development Research at the Boston Fed

- Work more important than ever
- Several pivots in light of Covid and Police Brutality
- Our Covid response research
  - Published
    - **Service Workers**
    - **Health Insurance**
  - In Progress
    - SNAP
    - UI
    - Health Insurance 2
    - Paid Sick Leave
    - EITC
    - Child Care Workers



Sara Chaganti, Erin Graves, Amy Higgins, Marybeth Mattingly, Sarah Savage, and Catherine Tonsberg, "The Effects of the Novel Coronavirus Pandemic on Service Workers in New England," Federal Reserve Bank of Boston, March 2020, <https://www.bostonfed.org/publications/community-development-issue-briefs/2020/the-effects-of-the-novel-coronavirus-pandemic-on-service-workers-in-new-england.aspx>.

Sara Chaganti, Amy Higgins, Marybeth J. Mattingly, "Health Insurance and Essential Service Workers in New England: Who Lacks Access to Care for COVID-19?," June 11, 2020, <https://www.bostonfed.org/publications/community-development-issue-briefs/2020/health-insurance-and-essential-service-workers-in-new-england-who-lacks-access-to-care-for-covid-19.aspx>.





Thank You!  
Responses, Comments, Questions.

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