

Unemployment Claims in King County, WA March – Early May 2020

BACKGROUND

Community mitigation efforts to limit the spread of novel coronavirus (COVID-19), including the closure of non-essential businesses on March 15, 2020, resulted in a dramatic increase in the number of people laid-off or furloughed in King County. Roughly one in five of residents filed initial unemployment insurance (UI) claims with the WA State Employment Security Department between March 1 and May 2, 2020, totaling 273,500 claims. King County industries with the largest number of employees included health care & social assistance; professional & technical services; retail; information; and accommodation and food services. In the first quarter of 2019, more than 1.3 million King County residents were employed, representing over 40 percent of the Washington State workforce.

UNEMPLOYMENT CLAIMS BY WORKER DEMOGRAPHICS

Workers residing in King County filed an average of more than 30,000 initial claims per week between March 1 and May 2, 2020 (Figure 1), 19 times more than the average number of initial claims during the previous two months (the average during January and February was 1,500 per week).¹ During March and April 2019, residents filed an average of 1,200 claims per week. The number of people seeking unemployment benefits increased starting with the first mandated business closures on March 15 (entertainment and recreational businesses) and remains high. More than 14,000 workers from bars, restaurants, accommodation and food services filed claims that week.

Between March 1 to May 2, the accommodation and food service industry had both the greatest number of claims (40,902) and the highest rate of claims per capita (35% of accommodation and food service workers). In comparison, claims per capita was 15% among healthcare and social assistance workers, and 20% among manufacturing and retail workers.

Examining initial UI claims per capita by demographics shows that some groups are more likely to have filed claims than others.² Nearly one in five (18%) workers under age 18 and ages 25 to 34 filed initial UI claims (Figure 2). Among workers ages 18 to 24 and age 35 and older, between 13-15% filed claims. Slightly more men than women filed claims in number (121,000 men vs. 111,000 women), but men and women filed similar numbers of claims per capita (17% vs 16% of women). Workers with a high school diploma or equivalent and some college or an associate degree filed the most claims per capita (20% and 22% respectively).

KEY POINTS

The average number of unemployment claims filed in King County during March and April is 19 times greater than the average number filed in January and February this year.

Workers with a high school or equivalent education and age 25-34 years filed the highest number of claims per capita.

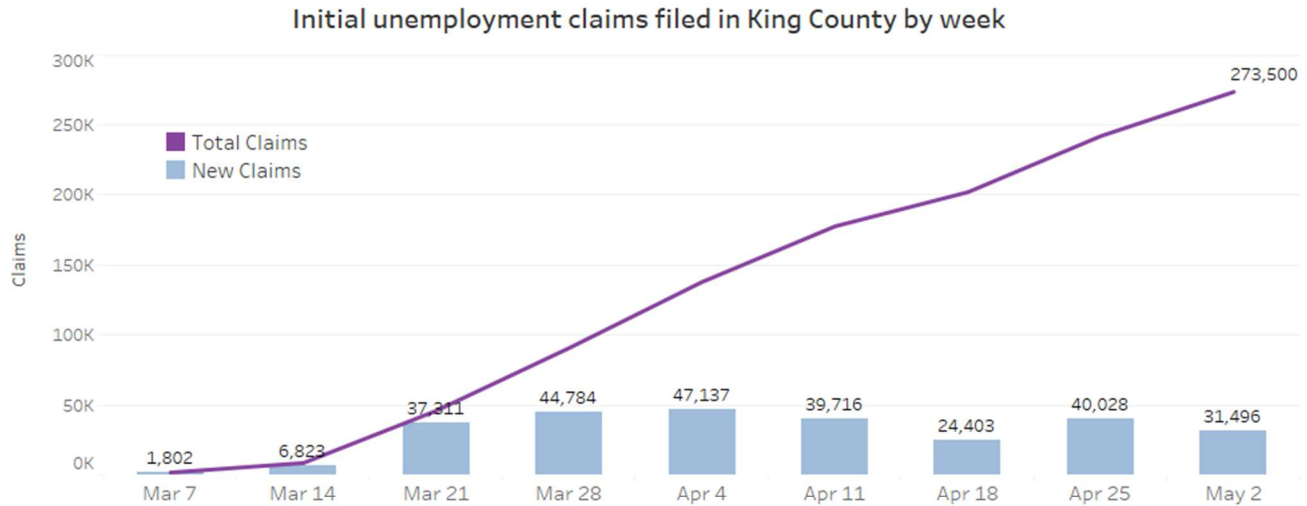
Native Hawaiian/Pacific Islander, Black/African American and American Indian/Alaska Native workers filed more claims per capita than did other workers.

¹ Washington's unemployment system is investigating the extent of fraudulent claims submitted. Thus the number of unemployment claims reported here may change in the future. Even after excluding thousands of fraudulent claims, a dramatic increase in claims followed the start of community mitigation efforts.
<https://www.seattletimes.com/business/economy/washington-adds-more-than-145000-weekly-jobless-claims-as-coronavirus-crisis-lingers/>

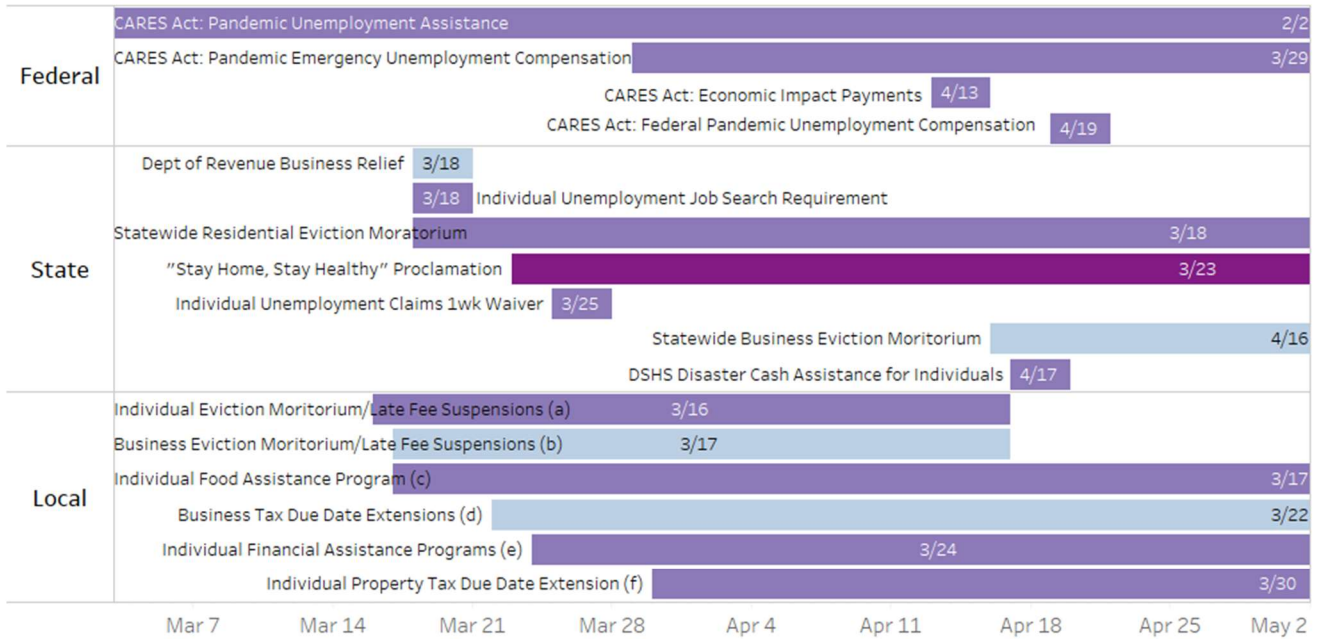
² Claims by disability status in King County were not available at this time; national data show those with a disability are more likely to be unemployed (<https://www.dol.gov/odep/topics/DisabilityEmploymentStatistics.htm>).

Figure 1

King County residents filed **273,500** new unemployment claims from March 1 - May 2, 2020



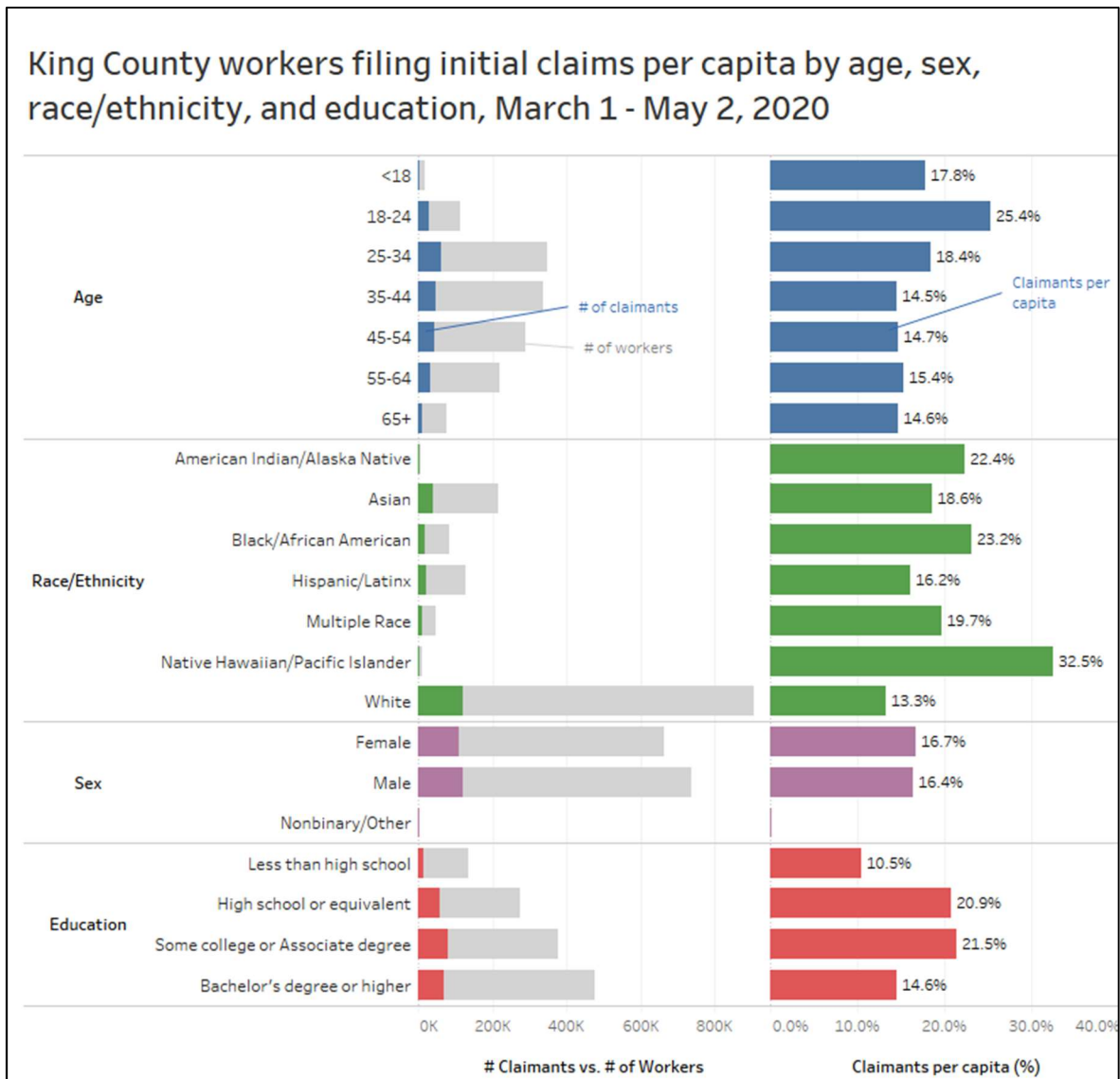
Policy Timeline



- Legend: ■ Business Support ■ Disease Mitigation ■ Individual Support
- a) Auburn, Federal Way, Issaquah, Redmond, Seattle, Shoreline
- b) Seattle, Kirkland, Redmond
- c) King County, Bellevue, Des Moines, Kirkland, Seattle, Shore..
- d) Bellevue, Burien, Des Moines, Issaquah, Mercer Island, Sea..
- e) King County, Bellevue, Covington, Issaquah, Kirkland, Seatt..
- f) King County

Unemployment claims varied by race and ethnicity, with nearly one-third (33%) of Native Hawaiian/Pacific Islander workers in King County filing initial claims, followed by 23% of Black/African American workers and 22% of American Indian/Alaska Native workers. White workers filed the least claims per capita (13%), and Hispanic/Latinx workers the second fewest claims per capita (16%). This may be related to the nature of their work³, a reluctance to file given the Public Charge rule enacted on February 24⁴ (though receiving unemployment support does not invoke Public Charge), or other factors. Disparities in unemployment claims can be seen by place as well, with workers in South Seattle and South King County filing more claims per capita compared to other areas in King County (data not shown). These rates likely underestimate the number of people without employment. Workers who do

Figure 2



³ <https://www.seattletimes.com/business/women-minorities-shoulder-front-line-work-during-pandemic/> and

<https://www.nytimes.com/2020/04/16/us/politics/latinos-coronavirus-trump.html>

⁴ <https://www.kingcounty.gov/elected/executive/equity-social-justice/~media/F7D1C505119E4469B71FA96A54EBB893.ashx>

not yet have citizenship, spouses in mixed-immigration status families, and workers still employed with wages cut are not able to file for unemployment.

COMMUNITY STRATEGIES IN RESPONSE TO CORONAVIRUS

On March 27, 2020, the federal government temporarily expanded unemployment benefits and provided a one-time individual financial stimulus through the CARES Act. Unemployment eligibility was expanded to include self-employed people, independent contractors, and part-time workers, and unemployment benefit coverage was extended for up to an additional 13 weeks. The CARES Act also provided \$600 additional weekly compensation to individuals unemployed because of COVID-19, and extended unemployment benefits for a total of 39 weeks. CARES Act Economic Impact Payments provided American households with up to \$1,200 per adult for individuals whose income was less than \$99,000 (or \$198,000 for joint filers) and \$500 per child under 17 years old – or up to \$3,400 for a family of four. Additionally, the Paycheck Protection Program provided small businesses with funds to pay up to eight weeks of payroll costs including benefits. As of May 2020, Congress is discussing additional aid packages.

Washington State expanded individual unemployment benefit access by eliminating the one week waiting period, provided protections against evictions, and expanded cash assistance programs for individuals to help meet their basic needs. The state provided business tax relief by waiving interest, fees, late payments and extending due dates for various taxes, which may help prevent business closures and thus preserve some jobs. King County and numerous cities including Seattle, Bellevue, Renton, Issaquah, Redmond, Kirkland, Kenmore, Burien, Covington, and Des Moines also provided a variety of business and individual tax relief, eviction moratoriums, and individual financial and food assistance programs. Local help is invaluable given that individuals have faced difficulties accessing state and federal economic relief sources⁵ and the number of community members seeking housing and food assistance has increased.⁶

Resources

- Help for the unemployed: <https://kingcounty.gov/council/gethelp/Unemployment%20Help.aspx>
- Unemployment help in other languages: <https://nhwa.org/COVID-19-Unemployment>
- More help for the unemployed: <https://www.uwkc.org/news/unemployed-due-to-coronavirus-pandemic-heres-where-to-get-help/>
- Guidance related to COVID-19: <https://www.kingcounty.gov/depts/health/covid-19.aspx>
- More information about data: <https://www.kingcounty.gov/depts/health/data.aspx> or contact data.request@kingcounty.gov

Technical Notes: Claims per capita are approximated by the number of claims divided by the number of workers at the beginning of Q2 2019 (the most recent timeframe available) from US Census Bureau Quarterly Workforce Indicator data. As mentioned previously, this numerator excludes workers who do not yet have citizenship, spouses in mixed-immigration status families, and workers still employed with wages cut who cannot file for unemployment. Claims per capita differs from the unemployment rate. Initial unemployment claims reflect new claims for unemployment insurance, regardless of whether they are payable, and excludes continuing (existing) unemployment claims. In contrast, the unemployment rate includes all people who are looking for work in a given area, including those not receiving unemployment insurance (see <https://www.bls.gov/lau/> for more information). Race/ethnicity is self-identified for claims and US Census data (for Census definitions, see <https://www.census.gov/quickfacts/fact/note/US/RHI425218>).

Suggested citation

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⁵ https://www.seattletimes.com/business/economy/washington-adds-nearly-110000-unemployment-claims-as-coronavirus-economy-enters-its-eighth-week/?utm_source=marketingcloud&utm_medium=email&utm_campaign=Morning+Brief+5-8-2020+5+8+2020&utm_term=Active%20subscriber; <https://esd.wa.gov/newsroom/statement-regarding-the-launch-of-expanded-benefits>;

⁶ <https://www.communitiescount.org/blog/2020/4/23/basic-needs-during-social-distancing-through-211>